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Daily Report
Central Eurasia

FBIS-SOV-96-019 *29 January 1996*

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Terrorist Activity

Chechens Want To Swap Police Hostages for Seized Militants

LD2901091096 Moscow ITAR-TASS in English 0840 GMT 29 Jan 96

[By Sharip Asuyev]

[FBIS Transcribed Text] GROZNYY January 29 (ITAR-TASS) — Chechen separatists confirmed on Monday that they plan to exchange 17 Russian policemen, seized hostage during the recent raid on Dagestan, for all the Chechen terrorists captured during the raid led by Salman Raduyev.

The policemen "can be exchanged at any time for people from the group of Raduyev seized in Dagestan according to the 'all for all' principle", Movladi Udugov, a spokesman of the separatists, told Tass on Monday reiterating that such was their "invariable position".

Udugov said the separatists consider the policemen as "prisoners of war" and, therefore, they are dealt with by Chechen military chief of staff Aslan Maskhadov.

Udugov refused to disclose any details on the progress of talks with Dagestani representatives who are negotiating the release of the policemen in the settlement of Novogroznenskiy, 50 kilometres east of Groznyy.

He also did not elaborate on the fate of 29 energy workers, abducted in Groznyy, as well as of other Russian hostages from among the builders from the cities of Stavropol and Penza.

However, he rejected reports that they had been kidnapped for ransom.

Russia: Talks on Chechen Hostages 'Unsuccessful So Far'

LD2801152996 Moscow ITAR-TASS in English 1453 GMT 28 Jan 96

[By Oleg Artyushin]

[FBIS Transcribed Text] GROZNYY, January 28 (ITAR-TASS) — Negotiations between Chechen government officials and rebel abductors of 36 Russian construction workers have been unsuccessful so far, Chechen deputy government chairman Sanaki Arbiyev told ITAR-TASS.

The 36 workers coming from the Stavropol territory and Penza were kidnapped in mid-December and are kept as hostages since.

Arbiyev said the last contact with the abductors was held through intermediaries on Friday, "without much success".

With previous accords stalling, the intermediaries came with new terms which Arbiyev said were considered and accepted by the Chechen government. The intermediaries went off to negotiate with the terrorists.

Arbiyev did not disclose the terrorists' terms, admitting however that they made no political demands. He said "only the exchange is in question now", adding that the exchange does not imply Chechen rebels captured by federal forces during the hostilities. However, the terrorists so far have not come up with a list of people they would want to be released.

There is still no trace of 29 staff of Groznyy's thermoelectric power station who were kidnapped in the middle of January, although efforts to help them out are being taken, Arbiyev said.

"There are many variants, including unacceptable ones," he said, referring to political demands of abductors.

He said the Chechen government would not bow to any political pressures but would be ready to pay a bounty if that be the term for the hostages' release.

As for whereabouts of the hostages, Arbiyev said tip-offs were constantly changing, with the hostages being moved around Chechen villages, presumably Yermolovka, Orekhovaya and others.

Russia: Police Hunt Chief Chechen Hostage-Taker

LD2801155496 Moscow INTERFAX in English 1408 GMT 28 Jan 96

[FBIS Transcribed Text] MAKHACHKALA, Jan 28 (INTERFAX) — Chechen field commander Salman Raduyev, who led the Chechen gunmen's raid on Dagestan's Kizlyar town on January 9 during which gunmen took hundreds of hostages, is wanted by Russian police, well-informed sources in law enforcement agencies told INTERFAX.

Police departments across the country have been ordered to detain Raduyev as soon as he is discovered.

Raduyev is charged in his absence with banditry (article 77 of the Russian Criminal Code), terrorism (article 213-3), hostage-taking (126-1) and premeditated murder (article 102), the same sources said.

The same charges have been brought against other hostage-takers from Raduyev's group who were taken prisoner by federal troops in Kizlyar and the Pervomayskoye village.

Another Chechen field commander, Shamil Basayev, whose gunmen raided the Budennovsk town, Russia's Stavropol region, and took hostages in June 1995, has

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been wanted by the police since then but has not thus far been detained.

Gunmen from Raduyev's group who were taken prisoner and are now under investigation may be exchanged for policemen from Russia's Novosibirsk town held by Chechen gunmen as hostages, the same sources said. In this case, the militants who may be handed over to the Chechen side will still be wanted by the police, the same sources said.

Existing legislation does not provide for exchanging hostages for persons under investigation, the same sources said. Such an action would require a special approval from the Russian leadership, the sources said.

Kidnapped Chechen Official Faces Trial by Dudayev's People

LD2701215696 Moscow Radio Rossii Network in Russian 2100 GMT 27 Jan 96

[FBIS Translated Text] An RIA-Novosti correspondent has learned that Lecha Saligov, the head of the Chechen Republic's Committee for Publishing and Printing, who was kidnapped by unknown individuals on Thursday [25 January], is in the hands of Dudayev's security service.

Dudayev's men accuse Saligov of betraying his homeland and intend shortly to try him and pass a severe sentence.

Chechen Elders Join Efforts To Free Statesman From Rebels

LD2801125596 Moscow ITAR-TASS in English 1220 GMT 28 Jan 96

[By Oleg Artyushin]

[FBIS Transcribed Text] GROZNYY, January 28 (ITAR-TASS) — Elders from the Saligov clan joined efforts to find out and release Lechi Saligov, chairman of the Committee for Publishing and Printing at the Chechen government, first Chechen vice-premier Sanaki Arbiyev said in an interview with ITAR-TASS here on Sunday.

Saligov was captured by unidentified armed people near the village of Achkhoy-Martan last Thursday. His whereabouts are not known since that time. According to Arbiyev, kidnappers have not put forth any demands for his release.

Turning to reports that the side of Chechen separatist leader Dzhokhar Dudayev accused Saligov of a state treason, Arbiyev noted that the same standard accusation may be levelled against any member of the Chechen government and, consequently, against any Chechen citizen who is not on the side of rebels.

The vice-premier noted that it is highly improbable that Chechen rebels will use tough measures against Saligov. In Arbiyev's opinion, Saligov will be released after conditions for this freedom are agreed upon.

Turning to the fate of Public Education Minister Yefim Gelman, who was captured by gunmen over a month ago, Arbiyev said that authorities regularly receive notes from him, reporting that he was alive and healthy. However, as is the case with Saligov, rebels do not put forth any conditions for his release so far.

Fate of Kidnapped Chechen Government Member Still Unknown

LD2701133396 Moscow ITAR-TASS in English 1246 GMT 27 Jan 96

[By Sharip Asuyev]

[FBIS Transcribed Text] GROZNYY, January 27 (ITAR-TASS) — The fate of a member of the Chechen government, Lecha Saligov, who was kidnapped in Chechnya on Thursday, has not been clarified despite active measures taken by law enforcement bodies to find the man, ITAR-TASS learned from the regional police department of the settlement of Achkhoy-Martan.

Nevertheless, law enforcement bodies and also Saligov's relatives believe that the whereabouts of the missing man will be established in the immediate future.

In the government led by Doku Zavgayev, Saligov was a head of the committee for publishing and polygraph business and book sale. The 43-year-old Lecha Saligov is famous in Chechnya as a founder of the "Justice" party of Anti-Dudayev's orientation. In 1994, Dudayev's government put Saligov in prison for his being in opposition to Dudayev's government. Last December Saligov was one of the candidates in the elections of the head of the Chechen administration, but lost to Doku Zavgayev.

Saligov was kidnapped in the area of the settlement of Achkhoy-Martan (around 40 kilometers south-west of Groznyy, where Saligov had arrived to visit his wife's relatives).

The latest reports said that the overall number of hostages held by militants in Chechnya is over 80. No information is available about the fate of 36 construction workers from the Stavropol and Penza regions missing since December 14, 1995; since January 16, the search has been going on for 29 workers of the Groznyy TETS-2 heat-generating plant; 17 militiamen from Novosibirsk captured in the settlement of Pervomayskoye have been kept hostage by Dudayev's militants for two weeks.

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Russia: Dudayev Rebels Hold 'Approximately' 80 Hostages

LD2601195296 Moscow ITAR-TASS in English 1700 GMT 26 Jan 96

[By Oleg Artyushin]

[FBIS Transcribed Text] GROZNYY, January 26 (ITAR-TASS) — The number of hostages recently seized by Dudayev's militants on Chechen territory is approximately 80, Chechnya's first deputy prime minister Sanaki Arbiyev told ITAR-TASS on Friday.

Thirty-six construction workers from the Stavropol and Penza regions and 29 power engineers from the Rostov region are the biggest groups of hostages in Chechnya.

The construction workers were seized on December 14, 1995. The power engineers were kidnapped by militants wearing balaklava helmets on January 16.

The kidnappers demanded a 250 million roubles (53,000 U.S. dollars) as ransom for the release of the first. The money was allocated by the Chechen government, however a go-between failed to arrive, Arbiyev said.

Each time the kidnappers' demands are getting stronger and stronger, he stressed.

However, no demands have been made so far for the release of the power engineers. Their whereabouts are still unknown. The kidnapers may change the hiding place at any moment, he said.

Dudayev's rebels also kidnapped Chechen education minister Yefim Gelman. He sometimes sends in notes in which he says he is safe and sound, the deputy prime minister said.

Head of the Chechen printing industry committee was seized on Thursday [25 January], he said.

Arbiyev spoke out in favour of creating a special committee to tackle the hostage seizing problem in the republic.

Russian Military Sources Say Chechen Rebels Plan Terrorist Act

LD2701183196 Moscow INTERFAX in English 1704 GMT 27 Jan 96

[FBIS Transcribed Text] GROZNYY, Jan 27 (INTERFAX) — Chechen separatist rebels intend to launch a large-scale terrorist act during the "march of peace" which representatives of the North Caucasian republics plan to carry out in the next few days, Russian military sources in the Chechen capital Groznyy told INTERFAX Saturday.

Demonstrators plan to move from Beslan, Russia's North Ossetia Republic, to Groznyy by a road connecting the two cities.

According to intelligence reports, gunmen have installed a powerful high-explosive device in a water pipe under the road's section on Chechen territory, the military sources said.

Chechen field commander Shamil Basayev, who led the gunmen's raid on the Budennovsk town in the summer 1995, has been seen in the region, the military sources said.

INTERFAX has no confirmation of the report about preparations for the terrorist act from other sources.

Russian Prosecutor on Terrorism Against Chechen Officials

LD2801174996 Moscow ITAR-TASS in English 1737 GMT 28 Jan 96

[By Oleg Artyushin]

[FBIS Transcribed Text] Groznyy, January 28 (ITAR-TASS) — Russian Prosecutor-General Yuriy Skuratov came to Chechnya today to inspect the performance of the Chechen prosecutor's office and Chechnya-based military prosecutors.

Another goal of the trip is to look at the progress of investigation of high-profile criminal cases, with a focus on terrorist acts against Chechen top officials.

Skuratov today held a conference with senior officials of the North Caucasian and military prosecutor's offices.

He said in his address that the key task of Chechnya's prosecutors is to help the comeback of peace and human rights in Chechnya.

Skuratov was critical of Chechnya's law and order bodies, including the Interior Ministry.

His main stricture concerned their failure to start legal proceedings against separatist leader Dzhokhar Dudayev and some of his major followers.

Skuratov also found the fighting of common-law crime in Chechnya inefficient, with only two per cent of close to 700 first-degree murders detected in 1995.

Skuratov cited to the conference the evidence of the Russian Prosecutor's Office that great sums, estimated at "many billion roubles", were stolen from federal appropriations for Chechnya's restoration programme. He named Chechnya's ministries of health, agricultural and industrial construction, and community services as places where probes had revealed the greatest thefts.

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Political Reaction

Yeltsin: International Moves Needed on Chechen Terrorism

LD2701163196 Moscow ITAR-TASS in English 1623 GMT 27 Jan 96

[By Andrey Surzhanskiy]

[FBIS Transcribed Text] MOSCOW, January 27 (ITAR-TASS) — Russian President Boris Yeltsin said that "international measures" may be necessary to fight Chechen terrorism, but made it clear that peace talks in Chechnya must continue.

Talking to journalists on Saturday during his tour of a construction site across the Kremlin where an underground shopping mall is being built, Yeltsin stressed that the whole world, Russia and the majority of Chechnya's population have understood that Chechen separatist leader Dzhokhar Dudayev and his forces are just a bunch of terrorists.

The president said that he had a telephone conversation with U.S. President Bill Clinton on Friday to tell him that the time has come for the international community to act.

At the same time, Yeltsin said that the peace talks should continue, but "inside Chechnya," adding that the Chechen government and the opposition are continuing their dialogue.

"We should be less emotional now," he said, and "talk about a gradual improvement of the situation in the republic."

The president expressed the hope that the life of people in Chechnya will become better and recalled that three million square metres of housing were built in the republic in 1995. "We have provided 16 trillion roubles for the restoration of Chechnya this year," he said.

Speaking about disarmament in Chechnya, Yeltsin noted that "many have sided with Dudayev not because they are bandits but because they were deceived."

He believes that such people should be pardoned so that they could live and work normally. At the same time, he stressed that murderers "will not be forgiven."

Chechen Rebels Invited To Apply For 'Exoneration'

LD2901105596 Moscow ITAR-TASS in English 1023 GMT 29 Jan 96

[By Sharip Asuyev]

[FBIS Transcribed Text] GROZNYY, January 29 (ITAR-TASS) — Chechen militants who decided to stop fighting federal troops are allowed to apply for exoneration in their absence, secretary of Chechnya's public security committee Ruslan Tsakayev told Tass on Monday.

According to Tsakayev, many of those who have decided to break with Dudayev cannot apply to the commission directly for many reasons, including fear of repressions on the part of their former comrades-in-arms.

They can pass applications to the commission through local authorities or their relatives. The decisions the commission takes will be announced to them the same way. The only essential condition for exoneration is the handover of arms, he said.

Tsakayev did now specify how many rebels had been exonerated since the commission was established two months ago citing the remaining tensions in the republic.

Khasbulatov's Party in Chechnya Urges Resumption of Talks

LD2701164296 Moscow INTERFAX in English 1405 GMT 27 Jan 96

[FBIS Transcribed Text] GROZNYY, Jan 27 (INTERFAX) — Chechnya's Popular Union for Republic's Revival public movement led by former Russian parliamentary chairman Ruslan Khasbulatov today urged "the federal and Chechen warring sides" to "immediately" resume talks on settlement in Chechnya.

The public movement, which embraces about 27,000 Chechen residents, circulated an appeal at a press conference in the Chechen capital Groznyy calling for "halting war on the entire Chechen territory not later than February 1, 1996." The public movement also urged the conflicting sides to "impose a moratorium on military actions and begin implementing the July 30 military agreement."

The public movement said it believed that Ruslan Khasbulatov should mediate between the warring sides at the talks.

The Chechen public movement has sent a similar appeal to the Russian State Duma, parliament's lower chamber.

Chechnya's Arbiyev Says Dudayev Set To Hinder Normalization

LD2601162296 Moscow ITAR-TASS in English 1602 GMT 26 Jan 96

[By Oleg Artyushin]

[FBIS Transcribed Text] GROZNYY, January 26 (ITAR-TASS) — The efforts of Chechnya's government led by Doku Zavgayev to return Chechnya to

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Russia as a component republic meets with furious resistance orchestrated by separatist leader Dzhokhar Dudayev, deputy government chairman Sanaki Arbiyev told a news conference on Friday.

He said Dudayev feels that "the ground is slipping under his feet, that agony is close," and is trying to wreck stabilisation in Chechnya through acts of terror both within and beyond its bounds.

The Chechen government is ready to negotiate with all concerned parties and with rebel field commanders, he continued.

However, the government spokesman said, "the Dudayev side cannot put forward for the talks a figure who might become a guarantor of cessation of violence."

In a normalisation effort, the government relaxed the earlier limitations on passage in Chechnya, Arbiyev said, quoting simplified rules for human and transport transit at check points, effective since Thursday.

The curfew hour for transport and people in Groznyy has been moved from 7:00 to 9:00 p.m.

Ambulance cars are permitted to go in the city through the night.

However, the government is taking measures "along several lines" to thwart possible terrorist acts by Dudayev-led gunmen, Arbiyev said.

Exodus From Chechen Regions Linked to Yeltsin TV Address

LD2701172896 Moscow ITAR-TASS World Service in Russian 1454 GMT 27 Jan 96

[By ITAR-TASS correspondent Sharip Asuyev]

[FBIS Translated Text] Groznyy, 27 Jan (ITAR-TASS) — Refugees have reappeared on the roads leading to Groznyy from the mountain areas in southern Chechnya. An ITAR-TASS correspondent met at least 20 cars loaded with simple domestic goods and chattels on the way to Vedeno district. People are saying that they were forced to leave their home villages, in spite of winter cold and the period of the Muslim fast Ramadan, because of real danger of finding themselves near the rebels who could be attacked by federal forces.

An ITAR-TASS correspondent learned at the republic's government today that, after the inhabitants of the destroyed district centers of Gudermes and Shatoy, refugees have started arriving in Groznyy from the village of Vedeno which is about 50 km southeast of the Chechen capital. There are already more than 3,000 officially registered refugees. Special headquarters have been set up to provide aid to them with accommodation and food.

To a question what caused an increase in the number of refugees from areas controlled by rebels, Said Chimayev, who is in charge of the headquarters and deputy prefect of Vedeno district, told an ITAR-TASS correspondent: "The flow of refugees from Chechen mountain villages has sharply increased after Russian President Boris Yeltsin said in his TV address that, following the terrorist acts in Dagestan, strikes should and would be delivered on Dudayev's strongholds.

Nizhniy Novgorod Governor Begins Appeal To End Chechen War

LD2801174696 Moscow NTV in Russian 1600 GMT 28 Jan 96

[From the "Segodnya" newscast]

[FBIS Translated Text] The leaders of Nizhniy Novogorod Region have performed an important political action: They have drawn up an appeal to the Russian president and government, calling for an immediate end to military action in Chechnya and to start the withdrawal of federal forces. One million of the region's inhabitants signed the document. This document is to be handed to President Yeltsin on Monday [29 January]. Our Nizhniy Novgorod correspondent Irina Preobrazhenskaya has the details.

[Preobrazhenskaya, over video of people signing petition in doorways, offices] One million Nizhniy Novgorod citizens are demanding an immediate end to the war in Chechnya: Such is the result of a 10-day collection of signatures beneath an appeal to the Russian president. The petition was initiated by Nizhniy Novgorod Governor Boris Nemtsov.

[Begin Nemtsov recording, interviewed in his office] When all the obvious methods have been exhausted — votes in the Duma, in the Federation Council, representations in the press, and so on and so forth — then the natural thing is to appeal to the people. [end recording]

[Preobrazhenskaya] The signatures were collected mainly in all major enterprises, in higher education institutions and schools in Nizhniy Novgorod, and district centers. The petitions were in the entrance halls to greet people as they went in. Some people also collected signatures themselves, going round houses with copies of the appeal cut out of the newspaper. The only place Boris Nemtsov forbade any signatures to be collected was in military units.

[Begin Nemtsov recording] The army should be outside any sort of public or political movement, because in

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my view, that demoralizes the Armed Forces. [end recording]

[Preobrazhenskaya] Nevertheless, people say the military have also been seen joining in, signing the petition outside their unit compounds.

Boris Nemtsov will be taking only one of the 50 volumes of lists of signatures with him to Moscow tomorrow; the rest will be put into permanent storage in the archives.

Observers are of the view that if other regions support the Nizhniy Novgorod governor's idea, then despite the apparent protest, this action could play into the hands of Boris Yeltsin — because if the troops are withdrawn from Chechnya, at the upcoming elections the president could get an extra number of votes from people who will be grateful to him for heeding their opinion.

Russia: Theft of Resources for Chechen Restoration Reported

LD2801181296 Moscow Russian Television Network in Russian 1700 GMT 28 Jan 96

[From the "Vesti" newscast]

[FBIS Translated Text] Russian Prosecutor General Yuriy Skuratov arrived in Groznyy today. At a conference attended by those in charge of the North Caucasus military procuracy, Skuratov said that the Russian General Procuracy has data concerning large-scale theft of resources allocated for the Chechen restoration program.

The prosecutor general named Chechnya's Ministry of Health, the Committee for Agricultural and Industrial Construction, and the State Committee for Public Utilities as being among the departments where the biggest instances of theft have come to light.

The thefts run into many billions of rubles.

Russia: Pervomayskoye Village May Be Rebuilt on New Site

LD2601151196 Moscow INTERFAX in English 1200 GMT 26 Jan 96

[FBIS Transcribed Text] MOSCOW, Jan 26 (INTERFAX) — The Dagestani village of Pervomayskoye, which was almost wiped out following an operation by Russian troops to smash a Chechen rebel unit led by Salman Raduyev in the middle of this month, may be rebuilt on a new site, First Deputy Premier of Dagestan Nabiyula Magomedov said on Friday.

He told INTERFAX that most villages felt averse to the idea of rebuilding their houses on a site soaked with blood.

Magomedov said 300 out of the 331 houses were razed to the ground, with the rest being badly damaged.

He believes that finding a new location one and a half kilometers away from the village will be the best option.

Magomedov said that a final decision, which hinges to a larger extent on the view of the villagers, was still pending.

Local construction firms are to rebuild the village, with construction costs to be funded by Moscow as envisaged by the presidential decree, he said.

The official said President Boris Yeltsin had ordered 305 billion rubles worth of government spending on reconstruction work at local places suffering from the attack by Chechen gunmen.

Bomb disposal operations are continuing in Pervomayskoye village, Magomedov said.

Military Activity

Chechen Separatists Continue Attacks on Federal Forces

LD2601134296 Moscow INTERFAX in English 1312 GMT 26 Jan 96

[FBIS Transcribed Text] GROZNYY, Jan 26 (INTERFAX) — The situation in the Chechen republic remains complicated but stable, the press bureau of the interior troops in Chechnya told INTERFAX.

Separatist forces carried out 22 fire attacks on federal positions, wounding three federal police officers, one man of the contingent of the federal Ministry of Internal Affairs and one man on regular army duty, in the past 24 hours in Chechnya. An unspecified number of federal forces were killed.

People keep rallying in the cities of Argun and Shali to press demands for federal troop pullout from Chechnya.

Separatist forces made several unsuccessful attempts to attack federal interior troops near the villages of Bamut and Akhara, and at the Grebenskiy bridge on the Chechnya-Dagestan border.

Separatist fighters ambushed a convoy of interior troops near the village of Alkhan-Kala at 11:40 a.m. Thursday. Several federal servicemen were wounded and several killed. The attacking forces used fire launchers in a successful bid to burn two army vehicles. After an hour-long engagement the separatists retreated in the direction of Alkhan-Kala. They lost about twenty men, the press bureau of the interior troops said.

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Federal Forces Destroy Opposition Emplacements in Chechnya

LD2701162096 Moscow ITAR-TASS in English 1555 GMT 27 Jan 96

[FBIS Transcribed Text] MOSCOW, January 27 (ITAR-TASS) — Russian troops destroyed three rebel firing emplacements in Chechnya last night and seized one Mukha grenade launcher, an official said.

Sergey Epov, a spokesman for the Russian interior troops in Chechnya, told ITAR-TASS on Saturday that the social, political and crime situation in Chechnya had remained complex as of 9:00, but under federal forces' control.

Law enforcement bodies checked 7,844 people and over 5,600 vehicles on Friday, he said.

One home-made explosive device was defused and one radio station confiscated, he said.

Police Operation Seizes Weapons, Ammunition in Chechnya

LD2801153696 Moscow ITAR-TASS in English 1449 GMT 28 Jan 96

[FBIS Transcribed Text] MOSCOW, January 28 (ITAR-TASS) — A police operation netted some 60 grenade launcher rounds in different parts of Chechnya on Saturday, Russian Interior Ministry spokesman Sergey Epov told ITAR-TASS by the phone today.

The officer of the Chechnya-based ministry division said the operation was a search for arms and narcotics.

The situation in Chechnya shows no visible change, Epov said, although he described as an improvement a lack of unpermitted Chechen rallies.

The common-law crime rate remains high. The Chechnya-based Russian interior forces stopped for checks a total of 7,115 people and 5,025 vehicles over the last 24 hours.

Operations are continuing to detect members of rebel groups.

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Russian, Kazakh Defense Ministers Sign Joint Documents

LD2601173396 Moscow INTERFAX in English 1635 GMT 26 Jan 96

[FBIS Transcribed Text] ALMATY, Jan 26 (INTERFAX) — Defense Ministers Pavel Grachev of Russia and Alibek Kasymov of Kazakhstan signed 16 documents on the development of bilateral military ties in Almaty Friday.

The documents include, in particular, agreements aimed at strengthening air defense systems, the creation of a Kazakh fleet on the Caspian Sea as well as documents regulating ties between the two Defense Ministries.

Kasymov told INTERFAX that under a naval protocol, Kazakhstan is to receive five Russian coast guard boats which will constitute the basis of the future Caspian fleet.

He stressed that Almaty does not intend to create an assault navy on the Caspian Sea. The fleet's creation is aimed at establishing control and order in the area of the Caspian Sea, he said.

The coast guard boats will mostly struggle against the trafficking of drugs and arms, whose scale is a reason for growing concern in Almaty.

Under the signed documents, Kazakhstan will also receive from Russia operational aircraft Su-25, Su-27 and MiG-29 (several dozen planes of each type) as compensation for the transfer to Russia of 40 Su-95 MS strategic bombers.

Grachev told INTERFAX that the Russian Defense Ministry plans to sign similar packages of documents with the Defense Ministries of Azerbaijan, Georgia and Armenia. Earlier, similar agreements were signed with Ukraine and Belarus.

He described the creation of collective CIS peacekeeping forces as a "remote perspective" and said that the political, economic and military aspects of the issue are still to be resolved.

Grachev also said that Russia categorically opposes NATO's enlargement to the east to include the countries of Eastern and Central Europe.

However, he spoke in favor of cooperation with NATO under the "16 plus 9" formula (where 9 stands for nine CIS countries which signed the CIS Collective Security Treaty) or for cooperation between NATO and military-political institutions of the entire CIS under the "16 plus 12" formula.

Kasymov also said that "Russia is the backbone of the military power of the CIS, which is why CIS countries must take into consideration Moscow's position, including on NATO's eastward enlargement."

Grachev will leave Almaty for Dushanbe Saturday morning.

Pastukhov: CIS Imposed 'Measures' Not Sanctions on Abkhazia

LD2701163596 Moscow INTERFAX in English 1405 GMT 27 Jan 96

[FBIS Transcribed Text] MOSCOW, Jan 27 (INTERFAX) — The measures designed to settle the conflict in Abkhazia adopted by the Heads of State Council in Moscow on January 19 do not provide for imposing blockade or some other sanctions against Sukhumi, Russia's Deputy Foreign Minister Boris Pastukhov told INTERFAX.

According to him, the resolution issued by the CIS summit envisages "measures of influence on the Abkhaz authorities, not sanctions."

Even before the summit convened, there were allegations that it is planned to block Abkhazia from land, sea and air, Pastukhov said.

"Such sensational announcements were made either for the purpose of pouring oil on the flames, or at someone's order," he noted.

The resolution on the measures designed to reach a settlement in Abkhazia condemns the destructive stand taken by Abkhazia, which is obstructing the endeavors to gain mutually-acceptable agreements on resolving the conflict politically, and enable the refugees and displaced persons to return to their homes safely, the high-ranking diplomat pointed out.

Moreover, the CIS countries declared that they "will prevent the sales or deliveries of arms, military equipment and ammunition, and the despatch of mercenaries to the conflict zone from their territories."

Finally, resolutions issued by the CIS summit say that members of the Commonwealth cannot carry out trade, economic, financial and other operations with the Abkhaz authorities without Georgia's consent. "And this is right, because since Abkhazia is a part of Georgia, this should not be done without notifying the Georgian government accordingly," Pastukhov said.

According to him, he sees "no drama" in the decisions taken by the CIS summit. "What I see in them is clear and consistent compliance with the principles of international law," he pointed out. "Abkhazia is not an independent state. So far it is not known whether it will reach an agreement with Georgia as to its status:

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whether this will be a federation, a confederation or something else. This is to be decided by negotiations. In the meantime we must follow the existing rules."

Pastukhov believes that "the outcries concerning blockade against Abkhazia are designed to aggravate the situation."

In December Abkhazia exported ten thousand tonnes of citric fruit to Russia, which allowed it to support Abkhaz farmers. "Is this a blockade? And who has invented the blockade of the port of Sukhumi? There is no such blockade," the diplomat stressed.

Yeltsin, CIS Heads Promote Samsonov to Army General

MM2901100396 Moscow KRASNAYA ZVEZDA in Russian 27 Jan 96 p 1

[Unattributed report: "By an Edict of the Russian Federation President of 25 January 1996"]

[FBIS Translated Text] By an edict of the Russian Federation president of 25 January 1996, in accordance with the decision of the CIS Council of Heads of State, the military rank of army general is conferred on Colonel General Viktor Nikolayevich Samsonov, deputy chairman of the Council of Defense Ministers and chief of the Staff for the Coordination of Military Cooperation of the CIS Member States.

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Yeltsin's 'Second Honeymoon' Conversation With Clinton Reported

LD2701103696 Moscow ITAR-TASS World Service in Russian 0840 GMT 27 Jan 96

[By ITAR-TASS correspondent Andrey Shtorkh]

[FBIS Translated Text] Moscow, 27 Jan (ITAR-TASS) — This morning, Russian President Boris Yeltsin met a group of Russian and American journalists and briefed them on his telephone conversation with U.S. President Bill Clinton on Friday evening [26 January]. The head of the Russian state said that the conversation, which lasted over an hour, took place in a very calm and pleasant key.

Replying to the question: "Isn't there a feeling that the honeymoon in Russian-American relations is over?," Yeltsin said: "I would describe our conversation yesterday as "a second honeymoon." You will remember that there was a peak in Russian-American relations and that later they declined somewhat." Linking this with his fairly lengthy illness, Yeltsin said: "At that time the doctors were not allowing me to get excited or talk on the phone. As there were no conversations many people in America thought relations had cooled off a bit. However, in actual fact our talks in Hyde Park, yesterday's conversation, and the forthcoming meeting "of the Eight" in April on issues of nuclear security — where we will have a one-to-one sitting for several hours to discuss the entire range of problems — enable me to say that I remain true to my friend Bill Clinton. Yesterday he confirmed that he, too, is true to our relations."

Yeltsin said that he had given Clinton a detailed account of the situation in Russia, pointing out that in some American as well as Russian circles, there was talk of a retreat from reform having begun in Russia. Yeltsin stressed that "this is a bluff. There will be no abandonment of reform. I state this firmly and confidently. I also confirmed this to Bill Clinton. Incidentally, Clinton himself believes me and says so everywhere," the Russian president indicated.

Describing the results of the recent parliamentary elections, Yeltsin observed that "even in today's State Duma there is no majority that would oppose reform, since the victorious parties also championed reform in their election manifestos and they cannot just drop that. Our policy is reform, democratization, human rights, the social structure, and the situation in society, and it will hold firm," Yeltsin emphasized.

Concerning the departure of Anatoliy Chubays, which has also given rise to talk about a possible abandonment of reform, Yeltsin stressed that his replacements, Vladimir Kadannikov as first deputy prime minister and Aleksandr Kazakov as deputy prime minister and chairman of the Russian Goskomimushchestvo [the Russian Federation State Committee for the Management of State Property], "will take care of that area and will, perhaps, be even stronger than Chubays, but they will certainly be under the control of the president and I will not allow them to deviate from the path of reform."

Touching upon other problems that were discussed during yesterday's telephone call with U.S. President Bill Clinton, Yeltsin noted that much attention had been paid to the preparation of the April summit of "the G-8 " with regard to nuclear safety issues. Such meetings had earlier taken place under the "seven plus one" formula, the Russian president recalled. "The eight" will be finalized in Moscow in April, and on 26-27 June in Lyon [France] the G-7 will finally become G-8 when Russia will be officially included there, Yeltsin underlined. Thus, Russia has joined the Council of Europe and she will join the G-7 as the eighth member in June, he added.

Among other topics of the conversation, Yeltsin singled out the issue of interaction between the Russian and American servicemen in Bosnia. It is not a problem now because it is about to be solved, the president said. He referred to yesterday's statement made by U.S. General George Joulwan, commander-in-chief of the joint NATO Armed Forces in Europe, who "expressed a very high opinion of the morale, endurance, organization, training, and armament of the Russian servicemen" deployed near the U.S. battalion.

Yeltsin also said that the problem of NATO's expansion had been discussed. "We are against NATO expansion and I have sent a detailed letter to Bill Clinton explaining why we are against it and what harm the expansion can do to Russia, Europe, and maybe the whole world," Yeltsin said. Yeltsin said that Clinton had promised to carefully study his letter and give an answer concerning all the arguments."

Yeltsin also said that bilateral issues and the work of the Chernomyrdin-Gore commission were discussed during the telephone conversation.

Asked by ITAR-TASS to say something more specific about this, the Russian president said in particular that the forthcoming sitting of the Chernomyrdin-Gore commission, which is due to begin in the United States on Monday, was discussed. Yeltsin said the commission's work was a success and the forthcoming sitting would be the sixth one. "If there still exists some lack of agreement, Chernomyrdin and Gore are looking for a compromise on the questions for which we have not found answers for a long time," he said. Yeltsin said that during the conversation with Clinton "we spoke about the discrimination that still exists in respect of

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Russia. The attitude of European countries toward us will now become more balanced, but the U.S. legislation still has various restrictions, in particular on trading with Russia." Yeltsin said he had reminded Clinton of the latter's promises to remove these restrictions and that the U.S. President showed understanding.

Yeltsin expressed a very high opinion of Clinton's recent address to the nation on economic matters. "We do not have such achievements as yet, our achievements are smaller but Russia is on the increase now and I am confident that this year will be the year of the increase," the Russian president said.

Yeltsin said bilateral relations "should be based on partnership and equality. The United States protects its state interests and Russia will do the same. We must deal with the Americans as equals. Clinton agrees with me."

Yeltsin said that during the run-up to the G-8 meeting on nuclear security matters in April, he had agreed with Clinton to exchange messages and hold telephone conversations more frequently so that, if "some split appears in relations, it can be removed immediately."

After telling journalists that the U.S. Senate had ratified the START II Treaty on Friday evening, Yeltsin observed that "the State Duma has not yet done that, and the documents are lying around. It is to be hoped that we too will soon ratify this treaty, which provides for strategic nuclear weapons to be reduced by two-thirds compared with the Cold War peak," the Russian president said. "For us, this means vast savings, and that is where the money for social needs will come from," Yeltsin emphasized. "I promised Clinton that I would work with the State Duma so that the Federal Assembly ratifies the treaty before April."

Russia: Clinton's 'Opening Shot' in Election Campaign Viewed

MM2601180096 Moscow SOVETSKAYA ROSSIYA in Russian 27 Jan 96 p 1

[Article by Vasiliy Safronchuk: "Swan Song, or Clinton's Program for the Future"]

[FBIS Translated Text] On the evening of 23 January the U.S. President delivered his annual State of the Union message to a joint session of both houses of Congress. It was his last speech of this kind before the presidential election. It is not surprising that it is being commented on above all from the viewpoint of Clinton's chances of being reelected for a second term. It is being described as Clinton's opening shot in the election campaign. It is being noted that Clinton has focused attention on his administration's foreign and domestic policy achievements. He tried to prove that the United States' positions and its world role are now stronger than ever before and that the economy is flourishing. The President asserted that, at the same time as the country's unemployment level is falling, the population's living standards are rising and inflation is falling. He called on the conservative members of Congress to end the budget confrontation with his administration and jointly, through dialogue, to find ways of balancing the budget. The President promised that he would no longer allow government institutions to be shut down because of insufficient funding. Among his achievements Clinton mentioned cutting the number of federal officials by 200,000. At the same time, in an effort to secure support for himself from both left and right, he stated that "the era of the government's active intervention in the economy has ended."

In the policy section of his speech Clinton set out his so-called "agenda for raising the quality of life and society's moral standards." This section was not notable for its specific details and abounded in generalities and general promises to care for the unfortunate strata of society, to step up the fight against crime and drug addiction, to increase employment of the able-bodied population and to reduce unemployment even further, to raise the minimum wage, to allocate more resources to environmental protection, and so forth. He also promised to devote greater attention to the problems of strengthening the family, to the growing generation, and to improving the quality of secondary and higher education.

It was noticeable that Clinton spoke very little about problems in U.S. foreign policy. Having noted certain successes, particularly in conducting the peacekeeping operation in Bosnia and the peace settlement in the Near East, he essentially avoided important questions such as the United States' relations with Russia. Admittedly, by way of one of the achievements of his administration, Clinton noted the fact that as a result of the end of the cold war "American missiles are no longer targeted at American children." [as published] In this connection he called on Congress to speed up the ratification of the START II treaty.

Observers believe that Clinton has nothing to brag about as regards relations with Russia. In January 1993 when he arrived in the White House, the prospects of "democracy" and market reform in Russia looked very bright to U.S. ruling circles. As a result of unilateral concessions by B. Yeltsin's regime, the United States and Russia experienced what A. Kozyrev called "a honeymoon" in their relations. A completely different mood prevails in Washington in January 1996. With every passing day doubts are growing as to the Russian

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president's ability to win the upcoming elections. People there are worried that a representative of the left-wing and nationalist forces (that is what the Russian patriotic forces are being called in the United States) will be elected instead. This, in the opinion of certain U.S. analysts, may mean a return to the "communist past," and with it a Russian foreign policy independent of the United States. This cannot but generate despondency in all the branches of power in the United States, and the President preferred not to broach this subject.

In accordance with tradition, opposition leader Bob Dole, leader of the Republican majority in the Senate, spoke straight after the President. As was to have been expected, he subjected the President's speech to sharp criticism both for what he said and for what he did not say. Dole noted that the views of the President and the Republican majority in Congress essentially diverge on the majority of problems in internal policy and certain spheres of foreign policy. The leader of the Republicans and their potential presidential candidate accused Clinton of "putting forward outdated values and protecting the interests of individual groups which are vying with each other to obtain a larger proportion of the budget funds."

It is interesting to compare Clinton's first speech and his actions after his inauguration as President on 20 January 1993 with his latest address to the nation. Three years ago Clinton, fulfilling his election promises to minorities, lifted the ban on homosexuals serving in the Army and some restrictions on abortions. The first measures displeased the joint chiefs of staff, and their Chairman General Colin Powell resigned. The second measure caused Catholic women to demonstrate. Then he announced 25-percent cuts in the White House apparatus (around 1,000 people), a 6-percent cut in employees' pay, and the elimination of the special buffet for his senior aides, telling them to eat in the cafeteria. It has already been mentioned above by how much the general army of bureaucrats was cut.

It must be said that B. Yeltsin did not follow Clinton's example, but did the exact opposite — during his rule the number of presidential staff employees has increased tenfold. And the army of federal and local bureaucrats in Russia has increased so much that it is many times larger than the administrative and managerial apparatus of the entire Soviet Union. If you add to this the bureaucrats of other CIS states, you get an astronomical figure. We were assured that the market economy would regulate itself and it would not need bureaucratic levers of regulation. Why then employ a vast army of bureaucrats? Indeed the lion's share of budget funds is spent on its upkeep.

Clinton promised also to reorganize the health care system, cut military expenditure by one-third, increase appropriations for social needs and environmental protection, and cut the budget deficit by increasing taxes on the rich and on corporations. He has not kept all of these promises and this could affect his chances of being elected for a second term.

Russian 'Surprise' at U.S. Attempt To Misinterpret Accord Noted

LD2701142196 Moscow ITAR-TASS in English 1414 GMT 27 Jan 96

[By Yuriy Kozlov]

[FBIS Transcribed Text] MOSCOW, January 27 (ITAR-TASS) — Russian Foreign Ministry spokesman Grigoriy Karasin said that Russia was surprised at attempts made by representatives of the U.S. Administration to misinterpret a clear-cut agreement about a meeting between Russian Foreign Minister Yevgeniy Primakov and U.S. Secretary of State Warren Christopher.

Recently, the U.S. side has mentioned a certain invitation allegedly sent by Boris Yeltsin to the U.S. Secretary of State to visit Russia. "Meanwhile, it is apparent that it is only the Russian Foreign Minister who is authorized to invite the Secretary of State to official talks, which is exactly what was done," the spokesman said.

The spokesman reminded of the fact that the Russian foreign minister and his U.S. counterpart had agreed to hold a brief working meeting in Finland on February 10-11. However, Karasin denied allegations that the meeting would take place in Helsinki. Karasin pointed out that the two ministers would meet in a quiet place, rather than in the Finnish capital, so as not to be diverted by protocol ceremonies because of their tough work schedules.

Besides, an agreement was reached that Christopher would pay an official visit to Moscow in March, 1996 at the invitation of Primakov, the spokesman said.

In conclusion, Karasin expressed the hope that in the future, the U.S. side would be more particular about its public commentaries.

Russia: Chernomyrdin Explains Goals of U.S. Visit

LD2801153996 Moscow INTERFAX in English 1408 GMT 28 Jan 96

[FBIS Transcribed Text] MOSCOW, Jan 28 (INTERFAX) — Russian Prime Minister Viktor Chernomyrdin told reporters on his departure for the United States in Moscow Sunday that during his visit he would take

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part in the sixth session of the Russian-U.S. intergovernmental commission on economic and scientific-technological cooperation and discuss possible provision of a stand-by credit to Russia with the IMF.

Chernomyrdin's visit to the United States will last for five days.

Chernomyrdin said he would discuss possible extension of the stand-by credit worth $9 billion with IMF Managing Director Michel Camdessus. If extended, the stand-by credit will be given to Russia for the next three years.

Chernomyrdin admitted that "some problems have recently emerged" regarding "the terms under which the credit can be given rather than the extension of the credit itself." "This is our Russian problem," he said.

In its relations with international financial organizations, including the IMF and the World Bank, Moscow acts strictly in line with the schedule and the plan which have been coordinated with them, Chernomyrdin said.

The issue of the IMF credit's extension is "resolvable," Chernomyrdin said. "We must resolve it and I do not see any special problems here," he said.

Chernomyrdin said that during his visit to the United States he also planned to meet with the World Bank's leader.

Chernomyrdin said that during the first two days of his visit he would concentrate on the activity of the Russian-U.S. intergovernmental commission on economic and scientific-technological cooperation, which is also known as the Gore-Chernomyrdin commission. During the commission's session Russia and the United States will discuss joint projects in the areas of sciences and energy, including nuclear energy, agriculture and social programs. With regard to Russian-U.S. technological cooperation, Chernomyrdin said corresponding joint programs were implemented on schedule.

Chernomyrdin said that in the United States he would also meet with U.S. businessmen and bankers. Russia meets its obligations before international financial organizations and foreign partners on joint projects "in accordance with monthly schedules," Chernomyrdin stressed.

Russia: 'Differences' at Gore-Chernomyrdin Talks Noted

LD2901111096 Moscow ITAR-TASS World Service in Russian 0650 GMT 29 Jan 96

[By ITAR-TASS correspondents Gennadiy Yezhov and Ivan Lebedev]

[FBIS Translated Text] Washington, 29 Jan (ITAR-TASS) — The Committee for Nuclear Energy under the Russian-U.S. Commission for Economic and Technological Cooperation has to face up to a number of thorny issues. The commission's sixth session opens today in Washington, chaired by Russian Prime Minister Viktor Chernomyrdin and U.S. Vice President Albert Gore.

Although mutual understanding has been achieved on most of the nuclear power issues on the agenda, there are still significant differences between the sides on a number of major issues, ITAR-TASS learned from members of the Russian delegation.

For example, the Americans still have to be persuaded of the need to conclude a new bilateral agreement on cooperation in the peaceful use of nuclear power. The old agreement, reached in 1990, expired in May 1995 and was then prolonged for a further five months. While that agreement was in force noticeable progress was made in controllable thermonuclear synthesis with magnetic plasma retention, development of promising construction materials, research into the fundamental properties of matter and handling of nuclear wastes. The agreement provided a foundation for scientists from both countries to expand mutually-beneficial cooperation in vital areas of nuclear physics and development of technologies for power engineering.

The Americans are proposing a further extension of the agreement. But, the Russian delegation members think, "prolonging it for another 13-15 months won't solve the problem." It should only be considered, they say, in parallel to preparation of a new interstate agreement that would reflect the present level of Russian-U.S. cooperation.

Another difficult question to be discussed by the committee is implementation of a Russian-U.S. agreement on recycling highly enriched uranium derived from decommissioning Russian nuclear weapons. Despite existing agreements, the United States retains artificial restrictions on imports from Russia of uranium materials, according to the Russian delegation members. This is not only harming economic collaboration between the two countries but also holding back cooperation in other areas and in particular disarmament. In addition, the

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issue of U.S. payment for deliveries in 1996 and beyond has yet to be decided. According to the Russian representatives, all barriers to Russian exports of low-enriched uranium to the United States must be removed in keeping with the existing contract and neither should such exports be subjected to any restrictions on the basis of anti-dumping legislation.

The Russian Federation delegation also intends to raise the issue of Russian intellectual property in nuclear power at the committee's session.

Moscow Seeks U.S. Investment in Agricultural Industries

LD2801151896 Moscow INTERFAX in English 1408 GMT 28 Jan 96

[FBIS Transcribed Text] WASHINGTON, Jan 28 (INTERFAX) — The accent in Russian-American cooperation in agriculture is likely to be shifted from importing American agricultural produce and food stuffs to attracting American investments to Russia's agriculture and related industries, and to joint production of machines and equipment for agriculture and for the food and processing industries, Russia's Deputy Prime Minister Aleksandr Zaveryukha told INTERFAX Sunday commenting on the first session of the Chernomyrdin-Gore Commission's committee for agricultural business in Washington.

He said the agro-industrial complex accounted for more than 40 percent of the U.S. imports to Russia.

Zaveryukha, who co-chairs the Chernmomyrdin-Gore Commission's committee for agricultural business, said that the package of Russian proposals includes a draft program for agricultural machine-building for 1996-97, which provides for the establishment, jointly with the Concord companies, of enterprises manufacturing grain sowers, and the production of harvesters and other agricultural equipment jointly with the Darend Company and the Dicky John and International Harvester Case firms.

The committee for agricultiral businesses is currently considering the possibility of creating a network of American dealer companies which are to sell agricultural equipment in Russia and ensure their technical maintenance, and train personnel.

Russian Atomic Energy Minister Wants New Agreement With U.S.

LD2901120796 Moscow Radio Rossii Network in Russian 0800 GMT 29 Jan 96

[FBIS Translated Text] Russia is proposing that a new Russian-U.S. intergovernmental agreement on cooperation in the peaceful use of atomic energy be drafted, Russia's Atomic Energy Minister Viktor Mikhaylov told RIA. Mikhaylov is in Washington for the sixth session of the Russian-U.S. intergovernmental commission on economic, scientific, and technological cooperation, which opens today.

The minister noted that cooperation is currently based on the June 1990 agreement between the USSR and the United States. This agreement has expired. The U.S. side is suggesting that it be extended. However, the Russian minister says this does not reflect today's level of cooperation.

Russia: Lukin Welcomes U.S. Senate's Ratification of START II

LD2701161796 Moscow INTERFAX in English 1405 GMT 27 Jan 96

[FBIS Transcribed Text] MOSCOW, Jan 27 (INTERFAX) — Chairman of the Russian State Duma Committee on International Affairs Vladimir Lukin told INTERFAX today that he welcomed the ratification of the START-II by the U.S. Senate.

Lukin, a leader of the Yabloko public movement, said he was in favor of Russia also ratifying this treaty.

Under the State Duma procedural regulations, the Committee on International Affairs is responsible for preparations for ratification of international treaties and putting the ratification on the Duma's agenda, Lukin said.

The previous State Duma seriously prepared the START-II for ratification and held several corresponding parliamentary hearings on that issue, Lukin said. However, the parliamentary hearings revealed that a number of MPs opposed this treaty's ratification.

"Much will depend on the leadership of the Defense Ministry which sometimes takes a stand which is not entirely comprehensible for me," Lukin said. The Russian Defense Ministry was among the initiators of the START-II ratification, Lukin said.

The Defense Ministry's leadership should be active in explaining to State Duma factions and groups of deputies why this treaty is beneficial for Russia, Lukin said.

Lukin said he and new Chairman of the State Duma Defense Committee Lev Rokhlin of the Russia Is Our Home faction had reached an agreement on cooperation. Lukin said he hoped that the Defense Committee, which "plays an important part in preparations for the ratification of the START-II," would provide necessary assistance to the Committee on International Affairs.

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Moscow Claims It Cannot Meet 'Some' CE Conditions on Rights

AU2601174296 Paris AFP in English 1723 GMT 26 Jan 96

[Report by Boris Bachorz]

[FBIS Transcribed Text] Moscow, Jan 26 (AFP) — Russia said Friday [26 January] it was unwilling or unable to meet some of the human rights conditions attached to its admission to the Council of Europe [CE].

Human rights activists meanwhile derided the Council's admission of Russia on Thursday as a mockery of its own ideals, saying the Strasbourg-based body was turning a blind eye to the war in Chechnya and that Russia still had a long way to go to fulfil the conditions imposed by the Council.

The strings attached by the Council in a bid to force Moscow to improve its human rights record include ending the death penalty and pledges to ban torture and ratify conventions on protecting minority groups.

However, a senior Interior Ministry official here said it would be "premature" to ban the death penalty and "two-thirds of society agree with this view."

The Russian presidency also told AFP it had no plans to abolish an anti-mafia law which allows police to detain suspects for 30 days without legal supervision.

Nor were there plans to introduce national civilian service as an alternative to military service, another of the European body's demands, the presidency said.

Interior Ministry spokesman Mikhail Doronin told AFP that the authorities were prepared to improve prison conditions, "but that involves a financial problem — if we get the subsidies then we can envisage reforms."

Human rights activists argued that the gap between Western ideals and Russian realities would quickly become evident.

"The Council of Europe is aimed at developed countries. It does not take account of the special features of countries undergoing a democratic transition like ours," said Yuriy Schmidt, chairman of the Russian lawyers' committee for the defence of human rights.

The Council is a pan-European organisation which promotes democracy and human rights across the continent.

Russia was admitted only after deputies concerned over its handling of the Chechen crisis were appeased by the Council's attaching human rights conditions.

The vote by the Council's Parliamentary Assembly in Strasbourg was 164 in favour, 35 against and 15 abstentions. The Russians needed a two-thirds majority of those voting, or 143 votes.

The vote could open the door to a deluge of complaints to the European Court of Human Rights from Russian citizens.

Bullying of army conscripts, abuses of police powers and restrictions on freedom of movement with the Soviet-era domicile registration system are still widespread features of Russian life.

"The war in Chechnya violates the first right guaranteed by the European Convention on Human Rights — the right to life," said Schmidt. "Any Chechen can justifiably get compensation from the court in Strasbourg."

Suzanne Pechuro, head of the Memorial human rights movement and a former prisoner of the Soviet Gulag, said the Council of Europe "may serve us as a platform if a dictatorship returns, if (communist) Gennadiy Zyuganov, (ultra-nationalist) Vladimir Zhirinovskiy or even Boris Yeltsin is elected president in June."

Former dissident Mikhail Kukabaka, who spent 17 years in jail, said the Council of Europe's decision to admit Russia "is equivalent to a moral acquittal for the Chechnya war waged by Yeltsin."

In a statement, Council deputies noted that Moscow had pledged to bring to justice those suspected of human rights violations "notably in relation to events in Chechnya," where Russian troops have been fighting Chechen separatists since December 1994.

President Boris Yeltsin Friday hailed the Council of Europe's decision as a "great event" seen by the Kremlin as a sign of European confidence in the government's democratic reforms.

Human Rights Watch meanwhile voiced "strong disapproval" of the decision, saying that "blithely admitting Russia... will reward Russia's two-year backlash against human rights and make a mockery of the Council of Europe's standards."

The organisation said the Chechnya war demonstrated "the Russian Government's continuing failure to uphold its obligations under international human rights and humanitarian law to spare civilian lives and property during military operations."

In Prague, Czech President Vaclav Havel welcomed the admission of Russia, voicing hope that "this will lead Russia to observe the standards set" by the Council of Europe.

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Yeltsin, Germany's Kinkel Meet in Kremlin, Discuss NATO

LD2701110296 Moscow ITAR-TASS World Service in Russian 0929 GMT 27 Jan 96

[By ITAR-TASS correspondent Andrey Shtorkh]

[FBIS Translated Text] Moscow, 27 Jan (ITAR-TASS) — "Our positions and those of FRG Chancellor Helmut Kohl and Germany as a whole coincide on almost all issues apart, perhaps, from NATO," Russian President Boris Yeltsin stated today at the start of his meeting in the Kremlin with FRG Foreign Minister Klaus Kinkel, who has arrived here on a visit. If Russia found in Germany an ally in opposing expansion of NATO toward the east, "it would be a good thing and tens of millions of dollars would not be thrown on this," the Russian president stressed.

Warmly welcoming Kinkel, Yeltsin noted that "we have long been acquainted in the political arena and we have discussed the most varied problems, both bilateral and international ones."

Russia: Primakov Recounts Talks With German Counterpart

LD2701174096 Moscow ITAR-TASS World Service in Russian 1657 GMT 27 Jan 96

[By ITAR-TASS diplomatic correspondent Yuriy Kozlov]

[FBIS Translated Text] MOSCOW, 27 Jan (ITAR-TASS) — Russia and Germany have much in common, they facilitate the preservation of international stability and hinder those who would like to see a monopolar world. Russian Foreign Minister Yevgeniy Primakov, said this today after a working meeting with his German colleague, Klaus Kinkel. The German foreign minister, who was in the Russian capital for a one-day visit, was also received today by Boris Yeltsin.

Today's meeting between the two foreign ministers was the first since Yevgeniy Primakov was appointed Russian foreign minister; therefore, the two sides tried to touch on as many international problems and bilateral questions as possible during their talks. Referring, in particular, to efforts to settle the crisis in former Yugoslavia, Yevgeniy Primakov noted that Russia and Germany "hold similar positions" and are interested in restoring and strengthening peace in the Balkans.

The return of cultural treasures taken by both sides during World War II remains one of the most pressing questions in bilateral relations. According to the Russian foreign minister, this problem can be resolved "if both sides show good will."

There was also an exchange of views on the Chechen problem. By his own admission, Klaus Kinkel "learned many new things" about this during the talks. In general, though, the German side stated that it recognizes Russia's "special role" in settling conflicts on CIS territory.

According to Yevgeniy Primakov, significant attention was also given at the talks to Russia's participation in meetings with the heads of state of the seven leading industrial countries and, in particular, to preparations for the forthcoming G8 summit on nuclear security which will be held in Moscow in April this year. In this connection the Russian foreign minister welcomed the ratification of the START II treaty by the U.S. Senate.

Russia: Primakov, Germany's Kinkel Note Partnership Need

LD2701183396 Moscow INTERFAX in English 1758 GMT 27 Jan 96

[FBIS Transcribed Text] MOSCOW, Jan 27 (INTERFAX) — Russian Foreign Minister Yevgeniy Primakov welcomed the ratification of the START-2 treaty by the U.S. Senate.

"It is gratifying that the document was ratified without amendments," he told a press conference in Moscow Saturday. The press conference focused on his talks with his German counterpart, Klaus Kinkel.

"This opens a possibility for Russia's State Duma to ratify the treaty," Primakov said.

"The public had serious fears that U.S. legislators would ratify the START-2 with serious amendments which would mean a step back from the treaty on anti-missile defense," Primakov said. "Fortunately, it did not happen," he added.

"German Chancellor Helmut Kohl will arrive in Moscow in the near future," Primakov said. "The Russian Foreign Ministry is already working on the preparation of this visit," he added.

According to Primakov, the relations with Germany are of special importance for Russia. "They balance European and global trends, promote stability and stop all those who would like to see the world monopolar," he added.

"No country, be it Russia, Germany or the United States, is entitled to put forward conditions to other countries," Primakov stated.

Russia and Germany agree on many issues, Primakov said.

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"For instance, both Russia and Germany are highly interested in the settlement in the Balkans and further steps to settle the Yugoslavia crisis," he added.

Primakov underlined that Germany recognized Russia's special role in conflict settlement within the CIS. "Without Russia playing this role, these conflicts are just impossible to settle," he said.

In answer to an INTERFAX question, Primakov said he left for Dushanbe Sunday to look into the situation in Tajikistan.

"It is necessary to increase Russia's role in the settlement of the conflict in the republic, considering that the talks between the government and opposition will resume soon," he remarked.

For his part, Kinkel said Germany would like to maintain partnership with Russia. "Sometimes we differ, but this happens among friends as well," he added.

Kinkel said he had discussed the Chechnya issue with Primakov and learned much new information. "First of all, this applies to the history of the conflict," he added.

In addition, Kinkel hoped the issue of "trophy arts" will soon be solved.

For his part, Primakov agreed that the restitution issue does exist. "This is a bilateral issues and should be tackled bilaterally," he said.

Primakov said Kinkel had invited him to visit Germany. "I gladly accepted the invitation. In addition, we agreed to exchange telephone calls," he added.

Primakov recalled that both him and Kinkel had been the first civilian persons to head their countries' intelligence services. "It seems that we knew each other by default. However, today's tete-a-tete meeting was first and quite successful," he added.

Russia: Primakov Receives ROK, DPRK Ambassadors

LD2601224196 Moscow ITAR-TASS World Service in Russian 1600 GMT 26 Jan 96

[By ITAR-TASS diplomatic correspondent Arseniy Mironov]

[FBIS Translated Text] Moscow, 26 Jan (ITAR-TASS) — Various aspects of relations between Russia and North Korea and prospects for their development were discussed at a meeting today between Russian Foreign Minister Yevgeniy Primakov and Song-pil Son, North Korean ambassador in Moscow. Also today, the head of the Russian Foreign Ministry received Sok-kyu Kim, the ambassador of the Republic of Korea in Moscow. Both sides expressed satisfaction at the high level of development of Russian-South Korean relations and confirmed their readiness to assist actively in their ongoing progress in the future.

The situation on the Korean peninsula was also discussed at the meetings between Yevgeniy Primakov and the ambassadors of the Democratic People's Republic of Korea and the Republic of Korea, says the press release of the Russian Foreign Ministry received by ITAR-TASS. "Russian diplomats are stepping up their efforts to ease tension in the planet's worst hot spots," the document says. In this context, a lot of attention is being attached to the settlement of the situation on the Korean peninsula adjoining the Russian borders in the Far East.

Russia, Kazakhstan Sign Military Cooperation Agreements

LD2601183796 Moscow ITAR-TASS in English 1748 GMT 26 Jan 96

[FBIS Transcribed Text] ALMATY, January 26 (ITAR-TASS) — After eighteen months of preparations, Russia and Kazakhstan on Friday signed 16 military cooperation agreements and set forth priorities for further interaction in defence. In particular, Russia took on an obligation to help its Asian neighbour establish a Caspian navy and train military personnel.

The sides also agreed to jointly defend their air space and involve in bilateral research projects.

Russian Defence Minister Pavel Grachev and his Kazakh counterpart Alibek Kasymov told the press that, for the first time in the post-Soviet history, the leadership of the two defence ministries gathered for a joint conference. The ministers also marked the atmosphere of mutual understanding and the unity of goals which accompanied the meeting.

Russia May Withdraw From Mediating Abkhaz Conflict

LD2601184396 Moscow INTERFAX in English 1815 GMT 26 Jan 96

[From the "Diplomatic Panorama" feature]

[FBIS Transcribed Text] MOSCOW, Jan 26 (INTERFAX) — Russia may withdraw from mediation in the Georgian-Abkhazian settlement if no progress in the settlement is made, Deputy Russian Foreign Minister Boris Pastukhov told INTERFAX Friday.

"If Russian efforts are ignored and the mediator is not respected, we are ready to abandon this mission and withdraw peace-making troops from the area," said Pastukhov.

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"Our border guards can also easily leave this region. Please, do it yourself," he noted.

Russia is interested in "having no fire" near its boundaries. But "if we see that a principled stand is replaced by political caprice, we are proud enough not to indulge these whims," said the official.

As for Russian security, "we are able to protect ourselves from a possible outburst in the Georgian-Abkhazian conflict zone caused by some poorly-considered actions or stands," he added.

The Moscow decision whether or not to abandon its mediation in the conflict "will depend on the real progress at the negotiations," said Pastukhov.

"If we feel we have come to a deadend, we can no longer mill the negotiations' wind," he added.

"We have not lost hope. Our optimism is inspired by only one thing: the understanding that there is no military solution. The sides will have to come to an agreement sooner or later. If they start fighting against each other, we will not allow them to do it," Pastukhov said as a comment on the current situation in the Georgian-Abkhazian talks.

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Political Issues

Yeltsin Relieves Kovalev of Human Rights Post

LD2701134196 Moscow ITAR-TASS World Service in Russian 1327 GMT 27 Jan 96

[FBIS Translated Text] Moscow, 27 Jan (ITAR-TASS) — Russian President Boris Yeltsin issued an edict today relieving Sergey Kovalev of his post as chairman of the Human Rights Commission under the President of the Russian Federation. Kovalev was released at his own request. This is reported by the Russian President's press service.

Yeltsin Allocates Funds To Pay Miners' Arrears

LD2601160196 Moscow ITAR-TASS World Service in Russian 1534 GMT 26 Jan 96

[By ITAR-TASS correspondents Andrey Shtorkh and Igor Ivantsov]

[FBIS Translated Text] Moscow, 26 Jan (ITAR-TASS) — President Boris Yeltsin today instructed Russian Prime Minister Viktor Chernomyrdin to allocate 600 billion rubles [R] this January to pay off the salary arrears to the coal miners and to provide R10.4 trillion of funding for the coal industry in 1996. The ITAR-TASS correspondents learned this from Kremlin sources.

Chernomyrdin To Be Nominated as Presidential Candidate

LD2701135396 Moscow Radiostantsiya Ekho Moskvy in Russian 1300 GMT 27 Jan 96

[FBIS Translated Text] We have received an unexpected report from St. Petersburg. Next Tuesday a meeting will take place there of an action committee to nominate Viktor Chernomyrdin, the current prime minister, as candidate for the Russian presidency. This was reported today by the St. Petersburg newspaper NEVSKOYE VREMYA. You will remember that Viktor Chernomyrdin himself has said repeatedly that he does not wish to run for the post of president.

Our correspondent has just contacted the prime minister's reception room and an aide of Viktor Stepanovich [Chernomyrdin] told us that the head of government so far knows nothing about his possible nomination as candidate for the post of president.

Gorbachev Remarks on Chernomyrdin's Presidential Nomination

LD2801121596 Moscow Radiostantsiya Ekho Moskvy in Russian 0900 GMT 28 Jan 96

[FBIS Translated Text] As has already been reported by our radio station, a meeting of an activists' group is expected in St. Petersburg tomorrow. The meeting is to nominate Viktor Chernomyrdin a candidate for the presidency of the Russian Federation. We asked the former USSR President Mikhail Gorbachev to comment on this report.

[Begin Gorbachev recording] I think Chernomyrdin has approved this otherwise they would not be nominating him. That is, with the exception of one case — I mean, maybe they have been inspired by Russia's Choice — to go against any accords that might exist at the top, between our current leaders. I do not rule this out because I have heard such ideas from Kovalev, and, if I am not mistaken, Russia's Choice has voiced such ideas as well. Maybe this is a countermeasure because the leaders of Russia's Choice have already said they have called on the president not to stand in the elections because he will lose. They said that in that case they would put their stakes on Chernomyrdin. [end recording]

Initiative Group Created To Nominate Gorbachev for President

LD2701175796 Moscow ITAR-TASS in English 1751 GMT 27 Jan 96

[By Nataliya Panshina]

[FBIS Transcribed Text] MOSCOW, January 27 (ITAR-TASS) — About 200 voters from 31 Russian regions gathered in Moscow on Saturday to set up an initiative group for the nomination of ex-Soviet president Mikhail Gorbachev as a candidate for Russian presidency.

The group will be led by former Federation Council deputy Aleksey Manannikov.

The group members praised Gorbachev for his reform experience, non-involvement in any of the existing political parties and his detachment from power structures.

They stressed that Gorbachev had won international recognition as an advocator of "socialism with a human face" and received a Noble Peace Prize in 1990.

They attributed Gorbachev's mistakes to the fact that he was the trailblazer and had to act cautiously, and therefore they can be forgiven.

Gorbachev has not yet officially announced his decision to run for presidency, but in his numerous interviews and during public appearances he did not rule out such a possibility.

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Zyuganov Leads Poll on Russian Presidential Election

LD2801200096 Moscow NTV in Russian 1800 GMT 28 Jan 96

[From the "Itogi" program]

[FBIS Summary] NTV carries a 3-minute report on an opinion poll on presidential elections. The public opinion poll was carried out by the Russian Center for Study of Public Opinion for NTV. The center queried 1,600 citizens above the age of 18 in the Russian Federation between 20 and 25 January.

Over 40 percent of those polled are not yet prepared to vote for anybody. Other respondents named over 40 possible candidates, but only seven names polled a substantial number of votes.

Asked who they would vote for if the presidential elections were being held today, 11.3 percent named Gennadiy Zyuganov, 7.7 percent for Grigoriy Yavlinskiy, 7.1 percent for Vladimir Zhirinovskiy, 5.5 percent for Aleksandr Lebed, 5.4 percent for Boris Yeltsin, 4.2 percent for Viktor Chernomyrdin, and 3.6 percent for Svyatoslav Fedorov.

Asked which politician they would vote for out of a list on a hypothetical ballot paper, 15 percent of those polled opted for Zyuganov, 11 percent for Yavlinskiy, 9 percent for Zhirinovskiy, 8 percent for Lebed, 6 percent for Yeltsin, 6 percent for Chernomyrdin, and 7 percent for Fedorov. Three percent would vote for Yegor Gaydar, although he has declared he will not stand. One percent voted for Mikhail Gorbachev.

Poll experts note that Yeltsin and Gaydar are losing popularity, while Zyuganov and Lebed are gaining compared with last year's polls. Support for Chernomyrdin and Gorbachev has not changed much, while support for Yavlinskiy, Zhirinovskiy, and Fedorov has vacillated over the year.

Slightly over 14 percent of those polled said they would not be turning out to vote, compared with over 25 percent this time last year.

Presidential Candidate Romanov Predicts Yeltsin Victory

MK2701120496 Moscow SEGODNYA in Russian 27 Jan 96 p 2

[Report by Sergey Fedorchenko from Krasnoyarsk: "Petr Romanov, Candidate for the Presidency, Is Sure of Boris Yeltsin's Victory. However, Mr. Yeltsin's Health Will Prevent Him From Remaining at the Helm, His Rival Thinks"]

[FBIS Translated Text] Petr Romanov, a deputy in the new State Duma and a leader of the communist opposition, officially nominated for Russian Federation presidency by an assembly of national democratic and patriotic forces of Russia, said at a news conference in Krasnoyarsk that no one should have any doubts that the present president would win the upcoming election. "The present authorities will do everything for this. Boris Nikolayevich's [Yeltsin] state of health, however, will not let him fulfill his duties for long," the candidate for president thinks. "Therefore, most probably, after the election Yeltsin will choose his successor, and a new election will be called. This will happen as early as December or February."

Mr. Romanov sees his main task as winning Russian youths' confidence in the Communist Party, since in Poland "75 percent of young people voted for leftist forces," whereas in Russia it was mostly the elderly who were for the communists. In general, the Communist Party should distance itself from the extreme leftist and extreme rightist forces, which will ensure the country's development in a peaceful way if a communist comes to the [Russian] White House. Among the priority tasks to be solved by the new State Duma, Mr. Romanov mentioned, first, immediate consideration of the situation in Chechnya, even if this called for imposing a state of emergency in some regions of Russia, and, second, making a decision on the government's dismissal.

Yavlinskiy Nominated as Russian Presidential Candidate

LD2701174896 Moscow ITAR-TASS World Service in Russian 1555 GMT 27 Jan 96

[By ITAR-TASS correspondent Lyudmila Aleksandrova]

[FBIS Translated Text] Moscow, 27 Jan (ITAR-TASS) — The third congress of the Yabloko association today officially nominated Grigoriy Yavlinskiy as its candidate in this summer's presidential elections.

The questions from the congress delegates who were meeting at the Moscow recreation complex on the Klyazma reservoir, to their leader showed that the thing concerning them most is "the reddening of Yabloko," i.e., the likelihood of Yabloko cooperating with the Communist Party of the Russian Federation [CPRF]. "Yabloko cannot have an alliance with the CPRF," was Grigoriy Yavlinskiy's categorical reply. He saw no circumstances in which such an alliance might come

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about and, furthermore, the association's objective was "to prevent the CPRF from coming to power," as he put it.

However, as Grigoriy Yavlinskiy explained, there are two oppositions in the State Duma — the democratic opposition (Yabloko) and the communists — and on certain issues their positions will inevitably coincide. "We have not held any special talks with the Communist Party and we have not reached any agreements whatsoever with it," was his assurance.

G. Yavlinskiy specified that the main reason why Yabloko wanted the Duma to discuss the question of no confidence in the government was to hear what government representatives have to say, particularly on the war in Chechnya. There is no other constitutional means of forcing the government to address deputies, he declared.

The Yabloko leader also discussed the question of talks with other democratic, reformist forces with the aim of establishing an election coalition. Such talks are under way, but it is still too early to speak of results, he stressed.

Yabloko To Run Independently in Russian Presidential Election

LD2701130496 Moscow ITAR-TASS in English 1235 GMT 27 Jan 96

[By Lyudmila Aleksandrova]

[FBIS Transcribed Text] MOSCOW, January 27 (ITAR-TASS) — Leader of the "Yabloko" parliamentary faction Grigoriy Yavlinskiy has called on all anti-authoritarian and reformist forces to rally in he run-up to presidential elections. Yavlinskiy spoke at the third congress of the Yabloko faction which open today in the Moscow recreation complex on the Klyazma river. The congress is to endorse Yavlinskiy as a candidate to the forthcoming presidential elections.

Yavlinskiy addressed democratic forces, asking them to hold talks so as to come out to the elections in a single team. "Before the elections we shall have to put aside all personal ambitions and discontent with each other," Yavlinskiy said, adding that Yabloko should become a center uniting democratic forces. They attainment of such a union was described by Yavlinskiy as the main slogan of the congress and the essence of the political situation at the present now.

Outlining the stance of the Yabloko faction towards the main political forces, Yavlinskiy, acclaimed by the audiences, said: "The Communist Party of the Russian Federation (KPRF) [CPRF] cannot be Yabloko's ally in the Presidential elections and in the present stage, no change in this stance is possible". If the KPRF comes into power it will be unable to overcome the crisis in the country. This party does not have a realistic programme and it wants to win a victory in order to bring utopia into power, Yavlinskiy said.

Yavlinskiy sharply criticised that President the government and their political course and stressed that Yabloko would remain in the democratic opposition. He described as "political short-sightedness" attempts made by some forces to represent the candidature of the Prime Minister as the best alternative to the President.

Yavlinskiy said that he would like to draw the attention of the society to the emerging alliance between the party led by Vladimir Zhirinovskiy and the party of those in power. The plan is apparent — to carry Zhirinovskiy through to the second round of the elections in order to ensure an easy victory", Yavlinskiy said. He pointed out that his bloc is the only force which might, being present in power structures, offer a realistic programme of coming out of the crisis without giving up the course of democracy and reforms.

"Therefore, the Yabloko faction intends the take part in the presidential elections as an independent force," Yavlinskiy said.

Russia: DVR Regional Groups Want Gaydar for President

MK2701112596 Moscow MOSKOVSKIY KOMSOMOLETS in Russian 27 Jan 96 p 2

[Report by Ivan Maksimov: "Gaydar for President!"]

[FBIS Translated Text] "Russia's Democratic Choice" [DVR] party organizations in a number of regions are beginning the set up initiative groups to nominate Yegor Timurovich [Gaydar] as a candidate for the upcoming presidential elections. Such an initiative group, for example, has now been formed in the Altay by former "Russia's Democratic Choice" State Duma deputy Sychev.

The deputy chairman, Comrade Sergey Yushenkov, has told your MOSKOVSKIY KOMSOMOLETS correspondent that he personally finds such initiatives rather in line with today's political situation, since there is no other authoritative political figure in sight who so resolutely and consistently campaigns for urgently needed reforms in the country. It may soon become necessary to merge together such initiatives, said this leader of the "Russia's Democratic Choice" Duma faction. He also stressed that Gaydar, who earlier gave up the idea of running for the position of head of state, has nothing whatever to do with the regional initiatives. Nor did the

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"Russia's Democratic Choice" leadership make any decisions on this score.

Prominent "Russia's Democratic Choice" members think their party's defeat in the parliamentary elections is mainly attributed to mistakes in organizing its election campaign. The necessary lessons have now been learned, and the party intends to vigorously enter into the country's political life, which is increasingly concentrating on electing a new president.

Anpilov Suggests CPRF Name One Presidential Candidate

LD2801194696 Moscow NTV in Russian 1600 GMT 28 Jan 96

[From the "Segodnya" program]

[FBIS Translated Text] [Announcer Tatyana Mitkova] After yesterday's political turbulence, a certain lull has set in today. The Working Russia movement, which is in opposition to the authorities, surfaced, with discussion focussing on the forthcoming presidential elections. Working Russia, implacable in their opposition not only to the authorities but also to their own ideological supporters, seems to be taking a softer line toward the latter. Sergey Dedukh reports.

[Dedukh] After all the expenditure on the election campaign, the tiny hall of the Rodina cultural club in Vostryakovo, near Moscow, was all Viktor Anpilov's Working Russia could afford for its fifth congress. The results of the Duma elections seem to have compelled Anpilov and his comrades to change their once irreconcilable attitude to Gennadiy Zyuganov's Communist Party [of the Russian Federation — CPRF]. Working Russia intends to join the Russian Communist Party for the presidential elections, and acknowledges the seniority of the Communist Party.

[Begin Anpilov recording] If we agree in principle that there should be one candidate, then let us tell ourselves honestly that it should be the Communist Party of the Russian Federation that names that candidate. [end recording]

[Dedukh] This does not mean that Working Russia is renouncing its main slogans — nationalization of privatized enterprises and the abolition of the institution of the presidency.

[Begin Anpilov recording] If Zyuganov takes the wrong road, then let us unite and we will be able to give Zyuganov, too, a good going over straight off, no problem. He will give in to a bit of pressure, comrades! [end recording]

[Dedukh] The main task of the opposition forces in the run-up to the presidential elections, Anpilov thinks, is to unite to stop Boris Yeltsin from being reelected.

Stanislav Terekhov, guest of honor at the congress and leader of the Union of Officers, proposed turning election campaign headquarters into civil opposition centers if the elections are called off or the results are distorted. The invited guests included leaders of other movements allied to Working Russia that also had no success in the parliamentary elections: Oleg Shenin, leader of the reborn CPSU, and Aleksandr Sterligov, chairman of the Russian National Assembly.

Russia: Communists' Presidential Campaign Strategy Viewed

MK2701144196 Moscow SEGODNYA in Russian 27 Jan 96 p 2

[Article by Gleb Cherkasov: "CPRF Readies for Struggle Against 'Leftist Danger'"]

[FBIS Translated Text] The Communist Party of the Russian Federation [CPRF] began preparations for the election of the head of state right after the results of the parliamentary elections were announced. The Communists' main efforts at the present time are aimed at having left and "left-patriotic" forces represented by a single candidate in the presidential elections. The CPRF leadership is holding consultations with representatives of communist and left-wing parties and movements. It will be remembered that, according to the most conservative estimate, Gennadiy Zyuganov's proponents lost about 15 percent to radical communists, Agrarians, the KRO [Congress of Russian Communities], and "Derzhava." The CPRF's position is being made worse by attacks from the left in addition to attacks from the authorities, which, incidentally, only do the Communists good.

A group of PRAVDA journalists stated the other day that there is "possible collusion" between Premier Viktor Chernomyrdin and Communist Party leader Gennadiy Zyuganov. The "Pravdists" describe the policy of the CPRF brass as that of "appeasement of the powers that be." PRAVDA special correspondent Aleksandr Golovenko has told INTERFAX that the journalists who signed this appeal warned voters who cast their ballots for the CPRF in the 1995 elections of possibly "ending up as hostages to canny political gambles." The "Pravdists" think that the latest pronouncements of State Duma Speaker Gennadiy Seleznev radically differ from those of the CPRF that nominated Mr. Seleznev at the time of the elections.

The "Pravdists'" statement, however, provoked no stormy reaction in the CPRF Duma faction. Representatives of the apparatus have told your SEGODNYA

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correspondent that the newspaper is not a CPRF organ, and the journalists voice their own opinions. As for the possible effect of the "Pravdists'" criticism, the Communists said it could affect PRAVDA's circulation.

A rather bigger problem for the CPRF may be the emergence of a Russian Communist Workers Party [RKRP] presidential candidate. A split amongst Communists could unfavorably impress many voters, who still identify Communists with order and stability. Furthermore, the CPRF will be obliged to have part of its propagandists' efforts spent on explaining to voters which Communists are correct and which are not quite so. Zyuganov's Communists will be obliged to compete not only with their ideological adversaries, but also with their own radical confederates who already reproach Zyuganov for "excessive liberalism." The biggest problem though is that Mr. Anpilov's radical-communist rhetoric could attract on 16 June 1996 many more votes than it did on 17 December 1995.

The CPRF leadership is trying to avoid conflict with the radicals. Yesterday, leaders of the RKRP headed by Viktor Anpilov visited the CPRF Duma faction office. Details of the negotiations are yet unknown. However, if you go by the MOLNIYA newspaper, a "Working Russia" organ, many radical-communists are ready to nominate and back their own candidate. Today's RKRP congress will probably determine where the radicals stand on their form of participation in the presidential elections.

A CPRF candidate will only be named after an all-Russia conference scheduled for mid-February. The list of candidates is not too long. The most frequently cited names are Gennadiy Zyuganov, Aman Tuleyev, and Petr Romanov. It is not ruled out at all, however, that all of them, together with yet another group of comrades, might not only nominate themselves but, having collected the required number of signatures, would go on the campaign trail. It as at least premature to speak about a split in the CPRF, nevertheless. According to some information, the Communists intend to nominate several candidates at once, each of whom will be designated to "take care" of a group of regions. A Communist candidate will campaign inside this territory using conditions available to a presidential candidate. A few days before the elections, all Communists in the running but one will withdraw from the race in favor of the remaining candidate.

It is hard to say if this option will be used or if the CPRF will prefer not to run the risk and confuse the voter with an abundance of Communist contenders. All the advantages of such a scenario are obvious. First, Communists will be able to make their main bet a few days rather than months before the elections. Second, the quality of campaigning in the regions will be far and away better than that of their non-Communist rivals. Traditions of discipline inside the party give grounds to believe that once withdrawn, candidates would not dare to continue campaigning despite the Central Committee's directive. The CPRF Central Committee Deputy Chairman Valentin Kuptsov has told INTERFAX: "We will be able to agree on the possibility of nominating a single candidate, at least in the second round of the presidential elections."

Along with developing their preelection strategy, the Communists are also preparing their campaign logistics. Your SEGODNYA correspondent has come to learn that one of the CPRF leaders intends to resign his deputy seat to take over the position of administrator of affairs [upravlyayushchiy delami] in the Duma. Should he be appointed, the Communists will place under their control the entire [support] staff of the State Duma, all the more so because another Communist, Dmitriy Krasnikov, listed in the Agrarian deputy group, is chairman of the committee which organizes the Duma's work.

Russia: Kazakov Interviewed on Plans for Privatization

LD2801232496 Moscow Russian Public Television First Channel Network in Russian 1900 GMT 28 Jan 96

[Interview with Aleksandr Kazakov, deputy prime minister, by unidentified correspondent in Kazakov's office in Moscow; date not given; from the "Sunday" program — recorded]

[FBIS Translated Text] [Announcer] On Friday, the president said that the function of administering privatization issues had been given to Aleksandr Kazakov, who was appointed deputy prime minister. According to Yeltsin, Kazakov had worked alongside Chubays and knew the issues. Kazakov spent the last year and a half in the president's administration in the post of head of the directorate for work with the territories and was preparing for the new post of head of the apparatus of the Federation Council. Now he is back at the State Committee for the Management of State Property [GKI].

[Correspondent] What lies in store for you?

[Kazakov] The chief thing lies, above all, in a slight reinterpretation of what we have done. I do not think that any cardinal measures are going to be taken here but, nonetheless, we have an obligation to understand what stage we have reached and to weigh deficiencies in work and draw the correct conclusions. Of course,

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we can all now do without the pace of privatization that we had right from the start.

In all probability it should really be done as piecework — fine work, I would say. According to my rough estimates, we are talking about 10 to 15 major projects per year. That figure is quite sufficient. On top of that, of course, the regions should be given more powers. The main task should, all the same, be efficiency. Believe me, irrespective of who owns it, an enterprise should work and work stably, making a profit. It should create jobs and if, given the right conditions, private ownership is of more benefit than state ownership, then it is natural to privatize. If the opposite is the case, then we should not dig our heels in — we should agree that state ownership also has a right to live — to exist.

[Correspondent] How serious will the effect of having considerably greater attention paid to the social side of the reforms and the effect of Russia's political reality as a whole be on your activities and the work of the GKI as a whole?

[Kazakov] Yes. There will a direct effect, I think. Unfortunately many issues still have to be looked at. There are considerable sums that we plan to obtain from privatization and that have been allocated to targets linked to supporting the most deprived sections of society and, of course, there will be dilemmas here. We will have to first consult our legislators. Here we will have to seek a golden mean [zolotaya seredina] because to suspend privatization and slightly reinterpret, as they say, our achievements on the one hand and to supply the budget with 12 trillion on the other hand are incompatible tasks. We need to choose either the one or the other. In the very near future I want to hold consultations on this matter and perhaps afterward I will be able to inform you in greater detail about our negotiations.

[Correspondent] So what view do you take? What direction do we need to take?

[Kazakov] I think that the golden mean needs to be found here. Of course, privatization for the sake of money is totally absurd. Privatization for the sake of making enterprises work efficiently is the basis for everything.

Soskovets: Government To Maintain Strict Financial Policy

LD2601142496 Moscow ITAR-TASS World Service in Russian 0759 GMT 26 Jan 96

[By ITAR-TASS correspondent Oleg Velichko]

[FBIS Translated Text] Moscow, 26 Jan (ITAR-TASS) — In 1996 the government will on the whole maintain the strictness of the financial policies which it implements, as well as seeking ways to resolve the problems of the social sphere and to defend the interests of domestic goods producers. Oleg Soskovets, first vice chairman of the Russian Federation Government, expressed this view in an exclusive interview with ITAR-TASS today. "Russia has proved its ability to take on market mechanisms and live within its means," he noted. "Today we need continuity, stability of renewal, and movement forward."

Soskovets noted that the strict budgetary and financial policies conducted by the cabinet "are determined by the need to implement market reforms, to which, virtually all the parties recognize, there are no alternatives." Moreover, he added, the 1996 budget has already set financial restrictions and a low rate of inflation and it is unlikely that it can be changed. At the same time, the first vice premier did not rule out amendments being made during the implementation of the budget, primarily to strengthen the social orientation of the government's economic policies. "We can no longer reconcile ourselves with the continuing reduction in the population's real incomes, the deepening division of society into the rich and the poor, and the increasing amounts of wages owed," he stated.

The first vice premier maintained that the government intends to focus particular attention this year on creating favorable conditions for investment activity, state support for effective investment projects and for strengthening control over the pricing of goods and services. "The forecast steady and consistent reduction in the pace of inflation will mean that the predictability of the economic situation will be increased, it will enable interest rates to be reduced, and it will mean payment delays are not advantageous," he noted.

Kozyrev: No Immediate Plans To Join Duma Factions

LD2601215396 Moscow NTV in Russian 1635 GMT 26 Jan 96

[FBIS Summary] "Hero of the Day" in the NTV Television studio on 26 January is State Duma deputy Andrey Kozyrev, giving his first major interview since his resignation from the post of Russian foreign minister. Interviewed live for 25 minutes by presenter Pavel Lobkov, Kozyrev continually avoids questions about his dismissal, insisting that he had been invited to the studio to talk about the Parliamentary Assembly's recommendation to admit Russia to the Council of Europe. Toward the end of the interview he does refer briefly to the forthcoming presidential elections.

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Kozyrev agrees that he did a great deal of the groundwork to bring about Russia's success in applying to join the Council of Europe, but says he is not jealous that he is no longer in the Foreign Ministry to enjoy the fruits of his labors, for "it is Russia that should enjoy the fruits of all these efforts, that's the main thing."

Asked why the diverse group of Duma deputies who attended the Parliamentary Assembly were unanimous in asking for Russia to be admitted, "even though they understood full well that this would clock up brownie points for the presidential team, Yeltsin's team," Kozyrev said he hopes this was a case when the factions were able to rise above purely party interests and consider the interests of the country and the people. Champions of human rights such as Sergey Kovalev, Kozyrev says, must always be strictly uncompromising; it is the task of politicians to take account of the circumstances. "Once everything has been ratified, our citizens will be able to appeal to the International Court of Human Rights, and even bring private cases, which is a big step forward; but of course, we should not think that this Strasbourg court will resolve the issues we cannot resolve ourselves. It is more of a stimulus than a deliverance."

Agreeing with Lobkov's suggestion that the communists regarded admission to the Council of Europe as a guarantee that the presidential elections will take place, Kozyrev says it is paradoxical that "the communists, who kept Russia behind an iron curtain for 70 years and would not even hear of any sort of international community" are today talking in just those terms. "So you, too, in part justify the communists on the grounds that they are not the same sort of communists as before?" Lobkov asked. "In general, I think and hope that they are not the same sort of communists," Kozyrev says. "They are more or less — and sometimes wholly — civilized people. It is another matter that in 1917 some of the leaders of the Bolshevik party were also professors. This historical experience does indeed put us on our guard," but it is a good thing that the communists are putting forward such interesting and correct ideas, Kozyrev observes.

Lobkov presents a brief excerpt from Sergey Kovalev's interview on "Hero of the Day" [24th January], in which he said Russia is not in line with European standards of human rights; and an excerpt a recorded interview with Sergey Karaganov of the Presidential Council, who said membership of the Council of Europe would give the Russian people a powerful instrument for exerting pressure upon the government and any authorities who might trample on their rights.

Lobkov then attempts to get Kozyrev to comment on the circumstances surrounding the latter's dismissal. "Andrey Vladimirovich, this is your first major interview since your resignation, so I simply cannot but ask you for the details — our viewers would really love to know. How did your resignation come about? Can you perhaps name for us those specific forces which prompted the president to take the final decision? Can you tell us why you vacillated for so long?"

Kozyrev politely avoids the questions, saying he had thought he had been invited to the studio to give the details of Russia's application to the Council of Europe. "My resignation? That's a perfectly ordinary thing, of no particular interest," he says.

Pressed further by Lobkov to name "which forces there may be in the presidential staff and among the presidential aides," who urged Yeltsin to decide to dismiss him, Kozyrev replies: "Well, that's hard for me to say. I'm not the president, and I have never worked on the presidential staff. And I think it is wholly clear at this stage that it is not a matter of bureaucratic intrigues. And it is not a matter of which officials are pursuing what policy," he goes on. "The issue here is a much more serious one, an issue of political choice. We will hope that this political choice will not mean we are obliged to pay a very heavy political price for a long time. And if one speaks in general terms, it was the voters in Murmansk who made the choice: let us not forget that I agreed to stand as a deputy for Murmansk back in mid-September last year, and then in December the voters voted for me, and settled the issue. All our other tribulations were mainly linked with the fact that I had probably been a civil servant for too long. I worked in the Foreign Ministry all my life. I have the notion that before parting with someone who is your immediate subordinate, you should have a normal sort of chat with him, take your leave of him and do it in a civilized sort of way. I kept waiting for just such a conversation," Kozyrev says, adding that "this took place over the telephone." Asked by Lobkov why such a conversation took place by phone, Kozyrev replies: "That is not for me to answer."

Lobkov goes on to ask: "Tell me, Andrey Vladimirovich, do you feel any sense of grievance against the president? Of late he has treated you somewhat impolitely, let's say." Kozyrev replies: "Well, it is probably not a matter of politeness or impoliteness. The issues here are far wider and more serious, and I would not want to go into them at this level. You and I agreed, after all, on an interview not about my resignation and not even about trends, but about the Council of Europe. I can say one thing, though: of course, if we want to be a part of Europe, we will have to master some rather

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civilized manners, including those concerning political conduct. Joining the Council, though, is not the main thing. I am glad that all representatives of parties and the entire state team, so to speak, are so willing to join the Council of Europe. But we must understand that this is a matter of a profound choice of our own, the Russian Federation's, path. This is why it was not the International Affairs Committee that I applied to sit on in the Duma — I wouldn't get anywhere with international affairs anyway. Our destiny is being decided not by joining the Council of Europe, let's bear that very firmly in mind, but is being decided here, at elections, and in the way we conduct affairs among ourselves."

Lobkov says: "Andrey Vladimirovich, I do understand how difficult it is for you, as a former civil servant who has still not yet completely left behind the habits of Foreign Ministry secrecy and so on, to answer a question like this: but now, observing from the sidelines the first steps on the Russian Federation foreign policy stage, do you feel the policy line is shifting just a little?"

Kozyrev replies: "I wish success to Yevgeniy Maksimovich Primakov, who is no novice in international affairs, because the destiny of the country depends to a great deal upon this." He refuses to make any further comment, reaffirming that he has come to talk about the Council of Europe. He adds that he is writing his memoirs, in which he will make broader evaluations of the whole period he was in the ministry.

Lobkov attempts to press Kozyrev further: "Can you comment on the series of dismissals which followed yours? What are your personal feelings? Did you find out about them from newspapers or personal conversations? And what impression did these dismissals make upon you personally?"

Kozyrev replies: "Well, I would say that in general, they came as no particular surprise. Or rather, as no surprise at all. Of course, to some degree, on one level, one can speak of a tendency, and I would say that this looks even a bit alarming as a tendency. At another, expert, level, one could say that nothing particular is happening. The government has to change, changes have to take place. In the final analysis, as I often said, I did not plan to be another Andrey Andreyevich Gromyko, who worked for 30 years in the same post. So let's wait and see, don't let's be too hasty in making evaluations. Let's see what the result actually is, and where the vector is steering."

Pointing out that Sergey Kovalev and Yegor Gaydar left the Presidential Council and consciously refused to back President Yeltsin, Lobkov asks: "What is your choice? Will you support President Yeltsin at the next elections, with your prestige?"

Kozyrev says: "In the very near future, I think — it is indeed a pretty urgent issue, but it must be done without fuss, without bloodshed — we must determine how to defend the democratic choice at the presidential elections, who to vote for and so forth. The president himself, incidentally, has not finally said he will stand. So, you see, many politicians, including the president himself, led by the president, one might even say, are counselling restraint and understand the need to think things over thoroughly, and, so to speak, look hard before you leap."

Kozyrev adds that he has no immediate plans to join any Duma faction or party, and will remain, as Lobkov suggests, a "loner." "This was the second time running that I stood as an independent candidate. The voters voted for me as such. Even before the elections it might have not been a good thing to do, but for me now to join some faction or other would not be the right thing to do at all," Kozyrev goes on. Were he to think of joining any faction, he would have to go to his constituency and discuss it with the voters, Kozyrev concludes.

Russia: Doubt Cast on KRO Denial of Lebed-Skokov Split

MK2701115596 Moscow NEZAVISIMAYA GAZETA in Russian 27 Jan 96 p 2

["N.U."-signed report under the "News" rubric: "KRO Press Center Denies"]

[FBIS Translated Text] Aleksandr Lebed, candidate for Russian president from the Congress of Russian Communities [KRO], "still remains in the KRO and is not going to go over to any other party," Serafim Yushkov, chief of the KRO press center told INTERFAX. In his words, "information run by a number of Russian mass media on a split in the KRO leadership, differences among Congress members, and the general's intention to leave it runs counter to reality." Mr. Yushkov stressed that it is "not a split that has occurred in the KRO leadership, but a division of functions. Aleksandr Lebed will in the near future concentrate on his election campaign, while another KRO leader, Yuriy Skokov, will deal with the preparation of a referendum on the Russian Government's responsibility for Russians' living standards." In his view, the "false information was deliberately spread by the general's rivals so as to thwart the campaign to collect signatures in support of his candidacy for the post of head of state." Mr. Yushkov also denied reports about "the general's alliance with State Duma deputy Stanislav Govorukhin." "Aleksandr Lebed simply works at the State Duma's Defense Committee together with Stanislav Govorukhin," the press center chief added. "It is another matter that the general is trying to bring together all political forces into one single bundle so as

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to pull the country out of the crisis, but this, again, does not indicate "infidelity" to the KRO," Mr. Yushkov said.

It should be noted that the information of "a number of Russian mass media" refuted by Mr. Yushkov was initially published in yesterday's issue of NEZAVISIMAYA GAZETA. Its refutation by the KRO press center, not by Aleksandr Lebed himself, appears to signify that the KRO's members were unaware of General Lebed's decision. This does not come as a surprise because as the NEZAVISIMAYA GAZETA-published report "Lebed Leaves Skokov?" said, the break between Messrs. Lebed and Skokov might be officially announced at the KRO Council meeting only in a month's time.

Military & Space Issues

Kokoshin Submits 1996 Armaments Program to Yeltsin

LD2701150396 Moscow ITAR-TASS World Service in Russian 1416 GMT 27 Jan 96

[By ITAR-TASS correspondent Andrey Shtorkh]

[FBIS Translated Text] Moscow, 27 Jan (ITAR-TASS) — Andrey Kokoshin, secretary of state and first deputy defense minister, today submitted the 1996 armaments program to the Russian president. Correspondents were informed of this by Boris Yeltsin. According to him, "at last the defense industry has an order, and defense enterprises will know what they are to do this year."

Boris Yeltsin had previously pointed out that the lack of such a program was appalling, since the enterprises forming the military-industrial complex had no clear guidelines regarding the state order for the current year. There was still, of course, the problem of money, the president said. Today the program had gone to the government, and the government would deal with the money question. Although everything had been costed, it had to be ascertained how the armaments program would tie in with the budget. But the president hoped that it would be possible to make the program fit into the sum of money allocated in the state budget to Defense Ministry expenditure.

Yeltsin announced that he had instructed Kokoshin to draw up a schedule of visits that the president could make to defense-industry plants throughout Russia. "That is where I need to be, where things are hard in the defense industry. Where it is easy, it is easy, but I need to go where things are really hard," he emphasized.

Russia: Kolesnikov Views Airborne Troops Reorganization

MM2501135796 Moscow KRASNAYA ZVEZDA in Russian 25 Jan 96 p 1

[Report by Aleksandr Golts: "Chief of General Staff Mikhail Kolesnikov: 'Improvement of Troops Leadership Should Not Be Subject of Political Speculations'"]

[FBIS Translated Text] Army General Mikhail Kolesnikov, chief of general staff of the Russian Armed Forces, met with journalists to shed light on the situation regarding the defense minister's order "on the improvement of the leadership of the troops (forces)." The chief of general staff did not conceal his anger at the fact that some State Duma deputies are trying to interpret this document as an attempt to abolish the airborne troops.

In reality, Mikhail Kolesnikov stressed, in accordance with this edict four of the eight brigades are being transferred to the subordination of the commanders of the military districts where these brigades are deployed: the Far Eastern, Transbaykal, Siberian, and North Caucasus Districts. Here the chief of general staff recalled that these brigades were created as airborne assault brigades in the mid-seventies and until the early nineties were part of the ground forces. And each airborne assault brigade had combat and transport aviation units. The brigade itself had virtually no heavy armaments or armored vehicles. And in the early nineties it was decided to resubordinate the airborne assault brigades to the command of the airborne troops. But here the helicopter units remained under the subordination of the air command. And that alone created serious difficulties.

All experience of subsequent years, Army General Kolesnikov believes, has proved that this decision was not very well thought out. Moreover, the remoteness of these formations' bases from the Airborne Troops headquarters created substantial difficulties in backing up and leading the brigades. It is no secret that one of these formations is in the North Caucasus District whose troops are fighting in Chechnya. A situation whereby in a combat situation the district commander is obliged on each occasion to coordinate his decisions regarding this brigade with the Airborne Troops command is hardly sensible.

The chief of general staff did not conceal the fact that the extremely limited financial and material and technical potential simply does not make it possible to ensure special training and to provide modern combat equipment for all 13 formations which had joined the Airborne Troops. The transfer of the brigades to the military districts will make it possible to make more

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rational use of these troops. Especially as practice has shown that to operate effectively in a local conflict the airborne units must be reinforced with armored and artillery subunits. And it is that which the General Staff plans to do. In particular armored battalions are being transferred to them. And two brigades have already been equipped with armored personnel carriers. Thus these formations' offensive and defensive potential will be reinforced.

Other problems are connected with decisions regarding two airborne divisions. It has so happened that the Pskov and Novorossiysk divisions have been deployed on the Russian border. Considering their position it was decided to make them operationally subordinate to the district commanders. It is a case, the chief of general staff explained, of the district commander making the decision for the division's combat employment according to the districts' plans. At the same time the Airborne Troops command is concerned for daily life, including combat training.

Army General Mikhail Kolesnikov particularly stressed that the idea approved by the president for a gradual transition to the territorial principle of the troops' leadership is thus being implemented. No one here is questioning the need to retain the Airborne Troops as a category of troops, as a strategic reserve. It is only their size which must be brought into line with their tasks and their potential. And, of course, the improvement of the troops' leadership should not be a subject of political speculations.

Russia: Paratroops Reorganization Linked to June Elections

MK2701114696 Moscow NEZAVISIMAYA GAZETA in Russian 27 Jan 96 p 1

[Report by Igor Korotchenko: "The General Staff Has a Poor Case To Argue. The Reorganization of the Paratroops Has Political Implications"]

[FBIS Translated Text] The scandal surrounding Order No. 070 of 26 December 1995, issued by Defense Minister Pavel Grachev "to improve command and control of troops (forces)," did not however clarify the real reason for the decision to move four brigades and two divisions from the operational command of the paratroops headquarters. Responding to criticism of the military department, Mikhail Kolesnikov, chief of the General Staff, presented several arguments substantiating the need for Order 070. On closer examination, though, his justification appears inconsistent.

First, the fact that the units are far from Moscow does not pose any difficulties in commanding them. The paratroops headquarters communication center has reliable wire and wireless channels of communication with all the units under its command.

Second, in order to operate effectively in a local conflict, paratroops units do not need reinforcement with heavy armor from military districts. It is enough for the General Staff Main Organizational and Mobilization Directorate to make appropriate changes in the organization and equipment tables of corresponding paratroops combined units and they will get everything they need.

It is unlikely that such an experienced military leader as the current chief of the General Staff does not know this. Moreover, to all appearances Pavel Grachev himself is not the initiator of Order 070, especially considering that he, like all other officers of this service, are characterized by a healthy paratroops chauvinism [desantnyy shovinizm]. It is hardly likely that the real authors of the decision to reassign six paratroops units to military district commanders are sitting on the Arbat [Defense Ministry headquarters]. More likely they are sitting behind the Kremlin wall. Therefore, it should be expected that by June 1996, all the 13 large paratroops units, while formally kept as an armed service, will pass under the full control of the Main Ground Forces Command.

Informed sources at the Russian Federation Defense Ministry attribute this to the upcoming presidential elections. Should the Kremlin refuse to recognize the victory by an opposition candidate, the introduction of direct presidential rule cannot be ruled out. The army will remain the only force capable of intervening in the squabbles among politicians. Not the whole army, though, but its most battle-ready part — the paratroops.

In August 1991 the fate of the State Committee for the State of Emergency and President Yeltsin was decided solely by General Pavel Grachev, paratroops commander in chief, taking the side of the White House. In a similar situation Yevgeniy Podkolzin will hardly dare make such a move. But there is Aleksandr Lebed, who enjoys great authority in paratroops command directorates and headquarters. It is against the eventuality of decisive actions in a dual-power situation that the paratroops headquarters has been doomed to the role of a "wedding general," apparently standing at the top of the service but not in a position to issue an independent order to use troops in a crisis situation.

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Scrapping of Russian 14th Army's Ammunition 'Obstructed'

LD2601144496 Moscow ITAR-TASS in English 1432 GMT 26 Jan 96

[By Anatoliy Yurkin]

[FBIS Transcribed Text] MOSCOW, January 26 (ITAR-TASS) — "Only a few days are needed to scrap all the old ammunition stockpiles of the Russian 14th Army, but their liquidation is being obstructed by the administration of the Dniester region," Lieutenant-General Valeriy Yevnevich, commander of the Russian troops in that part of Moldova, told ITAR-TASS on Friday.

The liquidation of shells and mines with expired safety limits was suspended on the "recommendation of ecologists," but Yevnevich claims that this is due to the "usual ambitions of officials and political chicanery."

"The team of Russian scientists, which worked at the place where the ammunitions were blasted, arrived at the conclusion that the destruction of small lots of mines and shells, produced in 1936, could not affect the environment. However, the view of these scientists was not taken into account," the general stressed.

The old ammunition, which could not be transported to Russia, he noted, is being used by some Dniester politicians as a trump card. By clamouring against the destruction of these shells and mines, they pretend to uphold the interests of the Dniester population, which "may be attacked." However, in the actual historical conditions, Yevnevich believes, neither Chisinau or Tiraspol can resolve their disputes by means of force. The peacekeeping forces deployed in the region, whose role should not be underestimated, will also contain the contradictions and their development into an armed conflict.

Yevnevich described as "provocative" claims that the condition of the ammunition depots, where rockets for salvo firing systems are stockpiled, is "critical." In his opinion, they are being reliably guarded and are being kept in strict conformity with official regulations.

The checked and completely safe technology, used for scrapping the old ammunition, the general believes, is applied not only in the Russian armed forces, but in all the armies of the world. "All the surplus weapons have already been shipped to Russia and the problem of transporting the army's engineering equipment has been settled. I believe that the unnecessary and dangerous ammunitions will be liquidated shortly," Yevnevich stressed.

Russia Launches Gorizont Communications Satellite

LD2601164896 Moscow ITAR-TASS World Service in Russian 1538 GMT 26 Jan 96

[By ITAR-TASS freelance correspondent Viktor Gritsenko]

[FBIS Translated Text] Moscow, 26 Jan (ITAR-TASS) — A Gorizont communications satellite was launched from the Baykonur space center. It was put into a geostationary orbit with parameters close to those planned, namely:

— period of revolution 24 hours 38 minutes;
— orbit inclination 1 degree 23 minutes;
— apogee 36,659 km;
— perigee 36,539 km;
— location 40 degrees east.

The ITAR-TASS correspondent was given this information today at the press center of Russia's Military Space Forces.

Federal Assembly

Russia: Yeltsin, Duma Set on Businesslike Cooperation

LD2901123296 Moscow INTERFAX in English 1100 GMT 29 Jan 96

[FBIS Transcribed Text] MOSCOW, Jan 29 (INTERFAX) — Russian presidential aide Georgiy Satarov thinks there are no alarming aspects in the relations between Boris Yeltsin and the State Duma.

"Both sides are set on businesslike cooperation and there are no hidden obstacles on the road to an atmosphere of cooperation between the two branches of power," he said Monday in an exclusive interview with INTERFAX.

Still Satarov did not rule out the possibility that some political groups would try to use the Duma for their own election purposes. "However, these forces are ready to confront the executive branch of power only to a known limit because they are quite interested in proper presidential elections."

In this context the aide recalled Yeltsin's statement Saturday that elections should be held immaculately. According to Satarov, this applies primarily to election rivalry. "It is important that candidates use public appearances for informing voters about their programs, not for attacking each other," he emphasized.

In Satarov's opinion the relations between the president and the parliament as a whole and the new Duma in particular should be similarly civilized and constructive.

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Russia: Tasks of New Duma Military Committee Viewed

MM2601164296 Moscow KRASNAYA ZVEZDA in Russian 26 Jan 96 p 1

[Commentary by political observer Vladimir Yermolin: "The Army Expects One Thing From the State Duma: Laws for the Sake of a Strong Russia. The Parliamentary Committee on Defense Is Being Formed"]

[FBIS Translated Text] Before setting off for their electoral districts the new parliamentarians approved the chairmen and deputy chairmen of the Duma committees. As has already been reported, the Committee on Defense is headed by Lieutenant General Lev Rokhlin ("Russia Is Our Home"), who is well known to everyone. The following were elected deputy chairmen on Tuesday: Aleksey Arbatov (Yabloko), Major General Nikolay Bezborodov (People's Power), reserve Colonel Mikhail Musatov (Liberal Democratic Party of Russia), and reserve Lieutenant General Mikhail Surkov. When the deputy chairmen were appointed a total of 24 deputies expressed a desire to work on military legislation. That is not the limit. The formation of committees is going on.

It would be premature to discuss even the outline of the considerably renewed committee's work (so far it is known that seven of the deputies who were on the old committee are still on it). The team is still being formed. There are no problems about that. But KRASNAYA ZVEZDA readers are already concerned about the fate of the draft laws which were at various stages of development when the elections intervened, as well as of the laws adopted by the Duma but not yet signed by the Russian Federation president. The latter include the Laws "On Defense," "On Additions to the RSFSR Criminal Code (in Respect of Liability for the Unauthorized Disconnection of Military Installations from Power Supplies)," and "On Urgent Measures on Recruitment to the Russian Federation Armed Forces and the Russian Federation Border Troops on the Basis of the Draft." Undoubtedly the new intake of parliamentarians could also introduce amendments to these laws up to and including changes to the concept. The whole point is that this should be done in the interests of the cause, not to suit political or personal ambitions.

A number of draft laws have already received a first reading. They are "On Amendments and Additions to the Russian Federation Law 'On Military Service Obligation and Military Service'" (submitted by the Russian Federation president), "On Alternative Civilian Service," "On the Russian Federation's Military-Technical Cooperation with Foreign Countries," and "On the Destruction of Chemical Weapons." It should be noted here that although the first reading was carried out by the old Duma, its decision has binding legal force on the new one. In other words, the draft law will be given a second reading.

The draft laws "On Military Expenditure," "On Amendments and Additions to the RSFSR Criminal Code and the RSFSR Code of Criminal Procedure (in Respect of Military Crimes)," "On State Policy Regarding the Reduction and Elimination of Armaments," and "On Mobilizational Preparations and Mobilization in the Russian Federation" are ready for their first reading.

Finally the following draft laws are at the concept stage or, to be more precise, are in the process of elaboration: "On the Material Liability of Servicemen," "On the Elimination, Sale, and Use of Armaments, Military Hardware, and Property which Have Been Decommissioned," "On Military Law Enforcement Organs," "On Compulsory State Personal and Property Insurance for Servicemen, Members of Their Families, and Civilian Personnel of the Russian Federation Armed Forces and Other Troops," "On Military Policy," "On the Preparation of the Rising Generation of Russian Federation Citizens for State Service (Legal Provisions on the Cadet Corps and Special Classes)" — such corps already exist but seem to be trapped in a legal vacuum — and "On Amendments and Additions to the Russian Federation Law 'On State Pensions in the RSFSR' and the Russian Federation Law 'On Pension Provision for People Who Have Completed Their Military Service in the Internal Affairs Organs and Their Families.'"

Undoubtedly the new deputies have the right to criticize their predecessors' legacy. A certain degree of skepticism in this instance will benefit the law itself and eliminate its defects. And I am not even going to echo our readers and draw the parliamentarians' attention to this or that draft law or legislative initiative. I believe that by working in close contact with the Defense Ministry the parliamentary Committee on Defense will arrange its priorities correctly. After all, behind each draft law there is a real problem thrown up by practice. Otherwise it would have to be resolved in some other way. The Army and military men have plenty of problems just now. Most of them require a well-considered, professionally created legal base for their solution. In other words, no matter what you do.... The question of the full and uninterrupted recruitment to the Army and Navy has not been resolved. Life's realities have created quite a few gaps in the Russian Federation Law "On the Status of Servicemen." Defects in the Armed Forces' financial, social, and material provision are being papered over by separate presidential edicts and government decrees — an integrated legal system for the Armed Forces

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is looking like a long-term venture. This is the perfect background for critics of the military reform who forget, however, that the reforms are secondary — what is of primary importance is the law backing them up.

The new members of the Committee on Defense will not, I hope, ignore those draft laws which improve socially significant acts and consequently improve the position of servicemen and their families and in particular military pensioners. For example, the aforementioned draft law on amendments and additions to the existing pension laws envisages a whole series of innovations which remove injustice toward the Defense Ministry's pensioners. For example, the question of the pension calculation procedure has not been resolved — supplements are being introduced for pay but not for pensions, and civilian pensions are recalculated annually whereas military pensions are not. There is no pension provision prescribed for parents whose children are classified group I or II invalids as a result of military injury. We agree that such amendments and additions could significantly change the living standard for individuals and help them to survive in our difficult times. Hence the special significance of the draft law.

I repeat: When the composition of the committee is in the organizational stage it would be wrong to badger it with advice or even demands, though there are plenty in the readers' mailbag. Let the new members of the committee who have chosen military legislation as their field of activity calmly take their seats, get their bearings, and tune their "instruments" and then we, the voters, will be entitled to expect "fine music" from them.

Russia: Duma Deputy Condemns Council Decision To Drop Court Query

MK2701104796 Moscow KOMMERSANT-DAILY in Russian 26 Jan 96 p 3

[Unattributed report: "Yelena Mizulina Considers the Senators' Decision Immoral"]

[FBIS Translated Text] It is unknown when the State Duma will send a repeat query to the Constitutional Court about the constitutionality of the law "On Procedures for Forming the Federation Council," but this will be done by all means, said Yelena Mizulina, deputy chairman of the State Duma Legislation Committee yesterday. Commenting on the upper house decision to recall the query to the Constitutional Court, made by the previous Federation Council, Mizulina noted that from the legal point of view and under the current law "On the Constitutional Court," such a recall is possible, but from a moral point of view, this decision defies comment. "If the Constitutional Court justices had problems about what they should do with this law and how to judge its constitutionality, they should have resigned," Mizulina thinks.

Russia: Council Fails To Elect Galazov Committee Head

MK2701114596 Moscow NEZAVISIMAYA GAZETA in Russian 26 Jan 96 p 2

[Report by Sergey Mulin: "Federation Council Members Are Embarrassed To Pronounce Their Title in the Singular"]

[FBIS Translated Excerpt] Having set up as many as 11 committees in the parliament's upper chamber, Federation Council members have unwittingly encountered the problem of quorum. As expected, only one of the committees — that on budget, financial and credit regulation, money issuance, tax policy, and customs regulation — turned out to be filled with a vengeance, signing on a total of 33 new Russian senators.

One old committee — on science, culture, and education — and a new one — on the affairs of the North and native peoples — barely managed to scrape together the requisite minimum of 10 members each. Another two committees — social and legislative (of all committees) — failed dismally to make Federation Council members sign up. For the sake of saving the chamber's face St. Petersburg Mayor Anatoliy Sobchak relinquished his seat on the prestigious budget committee and joined the judicial and legal committee, but few senators followed suit — only former Justice Minister Nikolay Fedorov did so, but the magnanimous step by the Chuvash president, who was passed over during the distribution of deputy speaker posts, did not redress the imbalance. An embarrassing situation came about: By and large, the new Russian senate has simply no one to analyze draft laws passed by the Duma.

A second embarrassment at yesterday's chamber meeting occurred during the confirmation of the candidacies of already elected committee chairmen, when, unluckily, the senators stumbled over the committee on the affairs of the Federation, the federal treaty, and regional policy. Akhsarbek Galazov, president of North Ossetia-Alania, elected committee head by a majority of the committee's 16 members, was publicly attacked by his Ingush colleague, local parliament chairman Ruslan Pliyev. Galazov, the Ingush representative argued, is a person insensible to interethnic differences.

A total of 78 "yes" votes against 28 "no" votes and 17 abstentions were not enough for Galazov's confirmation. Despite the belated backing by Moscow Mayor Yuriy Luzhkov and even Ingush President Ruslan Aushev, the senate did not approve Akhsarbek Galazov as head

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of the "federal" committee. Against this background, Samara Governor Konstantin Titov, who was voted into the post of budget committee chairman by 132 votes against 3, looked nearly triumphant. [passage omitted]

Regional Affairs

Russia: Nizhniy Novgorod Calls for Ending War in Chechnya

LD2801160396 Moscow INTERFAX in English 1408 GMT 28 Jan 96

[FBIS Transcribed Text] NIZHNIY NOVGOROD, Jan 28 (INTERFAX) — The Legislative Assembly of Russia's Nizhniy Novgorod region has urged the legislatures of the federation's constituent members to support its appeal to the Russian president and parliament calling for ending military actions in Chechnya and pulling federal troops out of this breakaway republic.

The Nizhniy Novgorod Legislative Assembly urged the Russian authorities to begin talks on political settlement of the conflict with those Chechen field commanders who are capable of influencing the situation in Chechnya.

The Nizhniy Novgorod Legislative Assembly also called for suspending the funding of the Chechen economy's restoration until military actions in Chechnya end.

A million of Nizhniy Novgorod region residents have signed the appeal.

Russia: Far East Workers Ordered To Back Yeltsin's Candidacy

MK2501140896 Moscow SEGODNYA in Russian 25 Jan 96 p 2

[Report by Oleg Kryuchek: "Far East Railroad Workers Made To Support Yeltsin. Local Chiefs Cite Directive From Moscow"]

[FBIS Translated Text] Khabarovsk newspapers have virtually simultaneously published selections of letters of complaint from employees of various budget-financed organizations who say that they are being ordered to cast their votes in support of Boris Yeltsin as a potential candidate for the freely-elected president of Russia. The people, who do not want to lose their jobs and who therefore sign [their complaints] using their initials, advise that railroad and army bosses have especially succeeded in the noble cause of collecting the requisite million signatures in support of Mr. Yeltsin. Railroad officials have even come up with a system of repressive measures of sorts against those workers and engineers who refuse to sign. This is done on a case-by-case basis by declining to sign the former's travel orders or by reducing the latter's status. Your SEGODNYA correspondent was told in the administration of the Far East Railway that they had not heard of anything like that, but if the facts reported in the newspapers prove true, those guilty will be punished. In the meantime, a high-ranking official of the railway administration, who asked not to be identified by name, advised that the collection of signatures in support of Boris Yeltsin's candidacy is being carried out in line with a verbal directive of the country's railroad minister, Mr. Fadeyev. According to the railroad official, the minister promised to punish primarily middle-ranking officials if the collection of signatures does not proceed vigorously enough. Said the interlocutor: "You cannot think of a better service to Boris Yeltsin's adversaries. People have gotten out of the habit of voting at someone else's bidding, and even if we collect signatures in Boris Yeltsin's support, they are not going to vote for him in the election."

Russia: Tatar Leader, Three Others To Run in Presidential Election

LD2701093396 Moscow ITAR-TASS in English 0728 GMT 27 Jan 96

[By Nikolay Sorokin]

[FBIS Transcribed Text] KAZAN, January 27 (ITAR-TASS) — Tatarstan President Mintimer Shaymiyev has been registered the first candidate standing for presidency in the forthcoming elections.

He was nominated by the "Teplocontrol" Kazan-based plant and the "TAToil" enterprise. Over 130,000 signatures have been collected in Shaimiyev's support and submitted to the Central Electoral Commission of the republic.

The voters link the name of the Tatarstan president with an agreement on the mutual delegation of powers signed by Russia and Tatarstan and political and national stability and steady economic upheaval reached in Tatarstan as a result.

Apart from 57-year-old Shaymiyev, three more candidates to the Tatarstan presidency have been nominated, including Director of the Kazan vinegar plant Ramil Gabdarkhmov, vice-president of the International Fund for the protection of mothers and children Anatoliy Vasilyev and faith healer Rafik Minekayev.

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Russian Cossacks May Convene Conference Ahead of Elections

LD2601222196 Moscow ITAR-TASS in English 2034 GMT 26 Jan 96

[By Konstantin Kolesov]

[FBIS Transcribed Text] MOSCOW, January 26 (ITAR-TASS) — It is advisable to convene a conference of Cossack communities from across Russia ahead of presidential elections, head of the presidential administration Nikolay Yegorov said on Friday.

President Boris Yeltsin's recent decision to set up a High Command of the Cossack Army "came as a natural result of actions to revive Cossack communities," Yegorov said.

First and foremost, Cossacks should receive special training. Officers will study in military academies, servicemen of lower rank will visit military schools, he said.

In addition, a central Cossack newspaper will come out in April, according to him.

Russia: Stavropol Wants Cossack Units To Tackle Terrorism

LD2601210696 Moscow INTERFAX in English 1913 GMT 26 Jan 96

[FBIS Transcribed Text] MOSCOW, Jan 26 (INTERFAX) — Special Cossack units must be created to tackle terrorism, Stavropol Region Governor Pyotr Marchenko told the presidential Council for Cossack Issues in Moscow Friday.

"Such units are totally necessary in the wake of the events in Budennovsk and Kizlyar," Marchenko said. The units could also maintain public order, tackle hooliganism, etc., he added.

According to Marchenko, Stavropol law enforcers are unable to cope with the rising crime rate in the region due to the influx of refugees from the North Caucasus.

Starting in April, Cossack assemblies will be entered in the state register of the Russian Federation, Nationalities and Regional Policy Minister Vyacheslav Mikhaylov told the council.

"The registration will create legal grounds for Cossack life and activities," he added.

Russia: Decree Extends Special Arrangements for Ingushetia

MM2601122396 Moscow ROSSIYSKAYA GAZETA in Russian 24 Jan 96 p 4

[Russian Federation Government Decree No. 36 "On Extending the Life of the 'Ingushetia' Most-Favored Economic Zone," dated 16 January 1996, Moscow, and signed by Russian Federation Government Chairman V. Chernomyrdin]

[FBIS Translated Text] In view of the fact that the formation of the most-favored economic zone on the territory of the Republic of Ingushetia has helped to bring additional financial resources into the republic, create new jobs, further develop the production and social infrastructure, and generally stabilize the economic situation in the Republic of Ingushetia, and in accordance with the Russian Federation president's 31 December 1995 Edict No. 1342 "On Measures To Ensure the Stabilization of the Economic Situation in the Ingush Republic," the Russian Federation Government decrees that:

1. The Republic of Ingushetia Government proposal on extending until 31 December 1996 the life of the "Ingushetia" most-favored economic zone, formed as an experiment by the Russian Federation Government's 19 June 1994 Decree No. 740 "On a Most-Favored Economic Zone on the Territory of the Ingush Republic" (SOBRANIYE ZAKONODATELSTVA ROSSIYSKOY FEDERATSII, 1994, No. 9, p 1023), is hereby adopted.

It is laid down that enterprises and organizations previously registered on the territory of other Russian Federation components will not be allowed to reregister on the territory of the "Ingushetia" most-favored economic zone.

2. The Russian Federation Finance Ministry and the Russian Federation State Taxation Service, in conjunction with the government of the Republic of Ingushetia, have one month to make the necessary amendments and additions to the normative acts regulating the procedure whereby the "Ingushetia" most-favored economic zone functions, aimed at:

implementing financial and tax operations in accordance with existing Russian Federation legislation;

supporting and developing established and newly formed and registered enterprises and organizations in the production sphere carrying out the bulk of their activities on the territory of the Republic of Ingushetia;

ruling out the possibility of the creation, reregistration, and operation of enterprises and organizations on the territory of the "Ingushetia" most-favored economic

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zone in violation of the terms laid down by the Regulations on the "Ingushetia" Most-Favored Economic Zone, approved by the Russian Federation Government's 19 June 1994 Decree No. 740.

3. The Russian Federation Finance Ministry is to:

allocate in the proper way in 1996-1997 to the government of the Republic of Ingushetia a budget loan in the sum of the taxes and obligatory payments of a nonspecific nature to be paid to the federal budget by organizations set up and registered during this period on Republic of Ingushetia territory, but not more than 500 billion rubles [R] per year out of federal budget funds for the relevant year;

ensure that the use of the aforementioned funds is monitored.

4. The Republic of Ingushetia Government is to:

elaborate specific measures, which will be funded by money obtained as a result of the activities of enterprises and organizations in the "Ingushetia" most-favored economic zone, and, in consultation with the Russian Federation Economics Ministry and Russian Federation Finance Ministry, present them within a month for Russian Federation Government approval;

report quarterly to the Russian Federation Government on progress in the implementation of the aforementioned measures and expenditure of the funds connected with their implementation.

5. Federal executive bodies are to assist the Republic of Ingushetia Government with the future conduct of the experiment of operating the "Ingushetia" most-favored economic zone.

[signed] Russian Federation Government Chairman V. Chernomyrdin.

Russia: Kaliningrad Oblast Head Views 1996 Objectives

WS2601145596 Kaliningrad YANTARNYY KRAY in Russian 4 Jan 96 pp 1, 2

[Interview with Oblast Administration Head Yuriy Semenovich Matochkin by V. Yegorushkin; place and date not given: "It Is Necessary To Lead the Economy Out of the Crisis and Increase the Living Standard of the Population"]

[FBIS Translated Text] [Yegorushkin] Yuriy Semenovich, first of all, take my congratulations on the occasion of the new year and the fact that you have been recognized the man of the year 1995. Judging from the problems which have to be solved this year, you have all the opportunities to become a hero of this year as well.

[Matochkin] Thank you for your kind words. Taking advantage of my interview, I send my best wishes to YANTARNYY KRAY readers. As regards problems, there were, are, and will be problems....

[Yegorushkin] Therefore, let us begin with problems. Your opponents try to stubbornly prove that life in Kaliningrad Oblast is worse than in other Russian oblasts.

[Matochkin] One can say anything. But when one looks at real figures, the picture is absolutely different. No one conceals that living conditions of Kaliningrad residents, as well as of all Russians in general, are difficult. But as regards our oblast, first of all, it is necessary to consider the fact that general tendencies in the socioeconomic development of the Russian Federation influenced specific, efficient decisions by our administration last year. A sharp increase in wholesale prices for energy resources influenced the general situation in a particularly negative way.

To realize how important it is, I would specify three groups of problems defining the socioeconomic development of our oblast. First of all, there are the general economic problems of the Russian Federation: the economic crisis, inflation, unemployment, and limited financial resources. The second group of problems includes regional problems arising from the geopolitical situation of our oblast: These are primarily energy dependence, transportation, and the low degree of production cooperation in the oblast. The third group comprises problems of individual enterprises of specific economic sectors: the obsolescence of fixed productive capital, putting new types of products in production, the lack of financial resources, the poor knowledge of market competition, and the isolation of enterprises from both suppliers and consumers.

This being the case, it is appropriate to mention here that the oblast economy developed on the basis of close relations with other regions of the Russian Federation. But regrettably, cooperation inside the oblast did not develop properly. There is no one to blame for this. Due to a historically established tradition, the oblast operated on the basis of mutual intersectoral and territorial relations. Because of this, the region still preserves its narrow specialization and depends on imported resources. It is sufficient to say that practically all energy resources and technical wood [tekhnicheskoye derevo] are imported from other Russian regions. Before, all production and technical products were — as a rule — manufactured for export and now, due to understandable reasons, there are no markets for them.

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In addition, one must consider the fact that the regional industrial structure differs considerably from the Russian Federation industrial sector. Therefore, if the average rate of industrial decline over nine months was 3 percent in the Russian Federation, it was 15 percent in our oblast. We still have not obtained complete data on 1995, but we can dare to forecast a 13-15 percent rate of industrial decline. Why? As I have already said, the reason is the considerable difference between the structure of industrial sectors in Kaliningrad Oblast and the general Russian Federation. Economic sectors which today register the lowest rate of decline or even a rise — petrochemical and metallurgical industries — account for some 45 percent of the national economic output of the entire Russian Federation. In Kaliningrad Oblast, these sectors account for only 20 percent. This is why the rate of industrial decline in our oblast compared with the average Russian figures is higher.

[Yegorushkin] Yuriy Semenovich, your words are very convincing. But even the most reasonable explanation of the reasons for the economic decline, figuratively speaking, will not put a piece of butter on our consumers' bread.

[Matochkin] Of course. But to resolve the problem the best way we can, an expert economic analysis is required. We have made it based on 1992-94 statistics. What has been done? What new problems have emerged? Which of them and to what extent has one managed to resolve? So, first of all, it is necessary to point out that the rate of increase in the monetary per-capita income in our oblast is approximately the same as in the Russian Federation. In addition, in 1993-94, the ratio of monetary income to the subsistence minimum showed a tendency to increase. But in 1995, as in all of Russia, this figure fell by approximately 15-20 percent. But, since July 1995, the ratio of monetary income to the subsistence minimum began to increase and reached a level of 30 percent by the end of 1995.

[Yegorushkin] If it were not for inflation....

[Matochkin] The oblast inflation rate and the similar average Russian Federation data also do not differ much. In addition, this tendency is clearly repeated. Therefore, it is impossible to autonomously introduce profound changes in the economic sectors which are linked to the Russian Federation economic complex. Some tendencies can be smoothed, and others, on the contrary, can be altered — so to speak — but in general, all processes will correspond to those in the Russian Federation.

[Yegorushkin] Is it true that Kaliningrad residents are considerably behind metropolitan residents in terms of monetary income?

[Matochkin] This is an interesting question. Some people like to ponder this issue. Let us sort things out. First of all, I would like to draw your attention to the changes in the structure of monetary income of Kaliningrad Oblast residents. According to official data, since 1992 the share of the so-called "other" earnings has increased considerably. For example, if in 1992 the share of the wage in the general structure of earnings was 76 percent, it was only 40 percent in 1995. That is, the so-called "other" earnings account for 60 percent of total earnings. These figures can be attributed to small and medium-size business. These earnings are not registered in their entirety. (This explains, by the way, the enormous losses in tax collection.)

[Matochkin continues] This being the case, it is also significant that since 1992, foreign currency purchases by the people have increased 10-fold. For example, 1 percent of income was spent on foreign currency in 1992; in 1995, this figure was 11.5 percent. This shows that it is necessary to attentively study such processes to outline the direction of the policy to support the living standard of the people.

Regrettably, someone is using figures quite freely and is refering to mythical data. The truth is that between 1992 and 1994 Kaliningrad Oblast was slowly approaching regions whose living standard was constantly increasing. But in 1995, due to known reasons (annulment of customs duties), this indicator decreased in our oblast somewhat. But if in 1992 our monetary income stood at 80 percent of the Russian Federation level, according to preliminary data, it was 75 percent in 1995. This shows that there was no huge drop in the monetary income of the population over these years.

The same also refers to the nominal wage. In 1992, the nominal wage in Kaliningrad Oblast stood at 75 percent of the average nominal wage in the Russian Federation, and in 1995 it amounted to 76.4 percent. The Kaliningrad Oblast per-capita subsistence minimum in the first year of reform exceeded similar statistics in the Russian Federation by 31 percent and, according to preliminary data, this figure was 4 percent in 1995. The average purchasing power of Kaliningrad Oblast residents, as well as of all Russian citizens, dropped.

In general, it is possible to say that if in 1993-94 the living standard of Kaliningrad Oblast residents improved to some extent compared with 1992, this did not take place in the whole country last year. I think that this is the result of the tough finance and credit policy, which on the one hand triggered the reduction in the inflation rate, and on the other hand challenged the living standard of the people to some extent.

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As regards the per-capita consumption of primary types of foodstuffs, we have better figures than the average statistics in the Russian Federation. But at the same time, one can observe a tendency to reduce consumption. Therefore, when I address the living standard of the people, I must point out that the situation is complicated and tense. This situation is characterized by the same tendencies as in the Russian Federation. Therefore, there are no crises in the sphere of supporting the living standard of the people in our oblast. But this does not imply that this problem must not be at the center of attention when socioeconomic issues are resolved.

[Yegorushkin] Yuriy Semenovich, tell us please, in more detail, about the positive tendencies in the socioeconomic development of our oblast in 1995.

[Matochkin] I have already mentioned some of them. Generally speaking, it is necessary to emphasize, first of all, that the forestry, timber-processing, cellulose, and paper industries increased their production to some extent. Since September 1995, freight transportation operations in our seaports considerably increased.

One also must mention the fact that production of grain in our oblast increased by 17 percent in 1995. By the way, this is a new tendency in the agricultural sector. Farmers began to invest in profitable production processes. Based on this, it is possible to speak about a potential stabilization in meat and milk production, although, based on our data, this will not take place to a full extent in 1996.

[Yegorushkin] What is your general forecast for 1996? How will we live?

[Matochkin] I will not say that we will quickly move forward and will resolve all problems this year. A tough financial and credit policy will be preserved. According to our forecasts, the rate of real inflation — considering the figure of 1.9 percent envisaged by the government — will reach 4-5 percent. Regarding positive factors, it is necessary to mention the decrease in the rate of the decline in industrial production — from 5 percent to 10 percent — and the general decrease in the inflation rate. In addition, such positive factors as reduced interest rates by the Russian Central Bank, the introduction of customs privileges by means of law, or — temporarily — by means of a presidential edict, or an agreement on power division can also emerge.

But these factors will not resolve the problems which are a burden to a considerable portion of the population. Proceeding from this, our primary attention will be paid to social policy, as was done in 1995, when 48.6 percent of the oblast budgetary resources were channeled to the social sphere, and social benefits increased 10-fold. This policy must be continued. This being the case, a budgetary conciliation commission must once again consider increasing spending on education, health protection, and social assistance.

The primary task is to provide revenues for the budget. To achieve this, it is necessary to launch a securities market and create a state bond market. It is necessary to develop conditions for attracting large financial structures to our oblast, primarily, from Russia. It is necessary to encourage local banks to invest in the production sphere. It turns out that short term credits account for 93 percent of their resources. To encourage production, it is necessary to create a legal environment for their activities. To this end, a relevant oblast law is required.

A local law on a system of support measures for the least- financially secure segments of society — based on the model of the Law on the Subsistence Minimum passed by the Russian Federation State Duma — is needed. Kaliningrad Oblast is among the first five Russian Federation oblasts regarding per-capita income. As I already said, 40 percent of income represents the "other-type" category. This implies that this money is used in small and medium- sized businesses. This sphere of business activity must be supported to establish an expanded segment of medium-income people. To achieve this, again, an oblast law is required.

In general, we will have to work hard in 1996 to gradually pull the oblast economy out of the crisis state, to stabilize and partially improve the living standard of the people. This could be achieved through the coordinated work of two oblast branches of power. To accomplish this it is necessary to throw away all political ambitions and consider regional interests.

[Yegorushkin] Well, I wish all of us success on this difficult path! Thank you for the interview.

Economic Issues

Russia: Chubays on 1995 Near 'Disaster,' Chechnya Costs

LD2601224096 Moscow Russian Public Television First Channel Network in Russian 1935 GMT 26 Jan 96

[Studio interview with Anatoliy Chubays, former first deputy Russian prime minister and chairman of the State Committee for State Property, by moderator Aleksandr Lyubimov on 16 January—recorded; from the "Vzglyad" program]

[FBIS Summary] During a nine-minute interview focussing on his recent departure from his post as well

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as the costs of the Chechen conflict, Chubays, in reply to a question from moderator Lyubimov, says: "I cannot give you an answer to the question of where I am going, for I do not know, for the time being." Chubays disagrees with Lyubimov's suggestion that his departure was a sudden affair, and says that it had been in the cards for the past four years.

Lyubimov recalls Russian President Boris Yeltsin's "public" statement that the Russia Is Our Home bloc would have received 10 percent more votes if Chubays had been released from his duties before the elections. Chubays replies: "I think that Boris Nikolayevich [Yeltsin] exaggerated my modest role."

Chubays says: "The tasks we had to resolve in 1995, our professional tasks, were monstrously difficult. We entered the year 1995 with our economy in the throes of sickness, on the brink of a very real disaster. It is, unfortunately, a little known fact that, say, the situation as of 20 January [1995] was such that the country had currency reserves which would have lasted for 72 hours, or just over 48 hours. At that time, during those days, we found ourselves on the brink of a total, universal, nationwide disaster, because if we had sold our last reserves — and we were selling between $200 million and $250 million every 24 hours — it would have meant that, quite simply, all exchange facilities would have had to be closed the following day. The day after, crowds of people would have hurried, breaking windows, to demand that their dollars be exchanged for rubles, no one would have been able to exchange anything, the ruble would have declined disastrously, wages would have become meaningless, and the consequences would simply have been monstrous. It is just a factor among those factors that characterize the situation in which we entered the year 1995."

Chubays continues: It was an onerous task to have to restore stability during the election campaign, but there was no choice, and "we did what we had to do and that is why we ended that year with three percent inflation instead of 18 percent inflation. We ended that year with $12 billion worth of reserves instead of $1 billion worth of reserves, and so on and so forth."

Chubays says: The unwieldy ship called the Russian economy has now been turned around, and this means that "it is now no longer necessary, in January 1996, to expend unbelievable efforts to turn the entire vessel of the Russian economy around. There is another task — not to break it apart, not to destroy what has been created over that time, not to squander the currency reserves, not to create an inflationary spiral again, a spiral that destroys everything."

"No feats are now needed. What is now needed is, quite simply, to implement the line laid down, which is close now to yielding results."

Replying to a question about the war in Chechnya, Chubays says he wonders how Chechen separatists are financing their enormous war costs and he questions the advisability of keeping this information secret, but what concerns him most is the costs of the war borne by the Russian budget. "I was more interested in another aspect of this: how to ensure that what Chechnya cost us did not destroy our budget and did not destroy our economy, and such a danger did exist, such a danger did exist and it was quite real, and I think that at long last, we have managed to escape this danger."

Lyubimov asks Chubays: "How many percentage points of the budget does this war claim, unofficially, the upkeep of the army and [words indistinct]"

Chubays replies: "If we are to talk of expenditures connected to the war operations, I am not prepared to give you official figures, for such do not exist, but I imagine that this expenditure is somewhere in the region of 5 to 6 trillion rubles, no more than that." Chubays agrees with Lyubimov's suggestion that it would have been better to tackle the Chechen issue through political means. Chubays refuses to be drawn out on whether he will be replacing Ivan Silayev as ambassador to the EC in Brussels and adds that he has received such a proposal, among others. "I have so far not decided anything for myself," he says, adding that he needs two to three weeks to make up his mind, "although, to be honest, I do not think that it would now be the right course for me to find myself abroad."

Russia: Kinelev: Education Workers To Be Paid Overdue Wages

LD2801160096 Moscow INTERFAX in English 1408 GMT 28 Jan 96

[FBIS Transcribed Text] MOSCOW, Jan 28 (INTERFAX) — The Russian government will pay off overdue wages to education workers in the near future, Russian Deputy Prime Minister in charge of the education sphere and sciences Vladimir Kinelev told INTERFAX in an exclusive interview.

Kinelev criticized the decision of the education workers trade union to launch a nationwide strike of education workers starting from January 30.

"The trade union leaders' decision means inappropriate speculation on difficulties in the country in order to pursue their own ambitions goals," said Kinelev, who celebrates his 51st birthday Sunday.

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"If the trade unions' leaders really cared about the situation concerning higher education, they would search for a way out of the difficult situation," he said. "Strike is not a method to resolve the problem," Kinelev said.

Russia: Kazakov's Appointment as Privatization Head Viewed

MK2701104696 Moscow MOSKOVSKIY KOMSOMOLETS in Russian 26 Jan 96 p 1

[Commentary by Aleksandr Khinshteyn: "The Holy Place Is Never Empty"]

[FBIS Translated Text] A new chairman of the State Committee for the Administration of State Property (GKI) was appointed by a presidential edict yesterday. He is Aleksandr Kazakov who, until recently, was filling the post of head of the president's Staff Administration on Work With the Territories. He simultaneously receives the rank of deputy premier.

This appointment was expected long ago. The GKI has remained an orphan since last fall, when its chairman, Sergey Belyayev, busy campaigning on behalf of the "Russia Is Our Home" [NDR] bloc, took an open-ended time-out, never to return. As we all know, he now heads the NDR faction in the State Duma. Belyayev's deputy Alfred Kokh was assigned to take over on a temporary basis. A month or so ago, Kokh, however, tendered his resignation, making it necessary to look around for a new legitimate master.

Chubays' resignation speeded this process. It is hard to claim, but had A. Ch. [Anatoliy Chubays] stayed in power, he would have hardly been greatly satisfied with Kazakov's candidacy. Nor would he have been bitterly disappointed.

As head of the president's Staff Administration on Work with the Territories, Aleksandr Ivanovich [Kazakov] became notorious as a schemer and leader of the internal opposition to Sergey Filatov. However, a number of high-ranking GKI officials assess his appointment as "the only one acceptable under the circumstances" — despite the fact that Kazakov is also known as a sage and astute politician. Furthermore, for a whole two and a half years, he worked for the GKI under Chubays (first as chief of the Administration To Organize Work With Territorial Committees and Organs, and later in the capacity of deputy chairman). Specialists recall that Kazakov, like no other person, could manage negotiations with difficult governors and resolve all sorts of delicate issues. At the same time, he was always rather aloof, distancing himself somewhat from Chubays' closely-knit team.

Russia Said To Drop Many Programs For Lack of Funds

MK2601134796 Moscow NEZAVISIMAYA GAZETA in Russian 26 Jan 96 p 1

[Report by Sergey Kashlev, Sergey Mitrofanov: "Structural Stabilization"]

[FBIS Translated Text] The Economics Ministry has only recently planned to complete the process of financial stabilization in 1995 and proceed to restructure the economy in 1996. It transpired in yesterday's session of the government that 75 special federal programs backed by 150 trillion rubles out of the 1995 budget are being acted upon extremely unsatisfactorily. One of the reasons is that the funds really provided were a fifth of what was planned and demand for investment was far in excess of the budget allocations and the resources of enterprises. According to plans, while the contribution from the federal budget should have been fairly modest, funds should have primarily come from enterprises in the form of depreciation deductions, fixed assets, and their after-tax profits. Naturally, no other than out-of-budget money could be made available because the heads of enterprises regarded, as they always do, "state money" as a source of irretrievable financing. The programs in fact existed on paper, where they still remain.

To avoid the same situation in 1996, the government decided to drop the programs which cannot be carried out and concentrate on those which can. As many people indeed know, the gist of the new economic policy lies in that the budget funds and nonbudget funds should be channeled to achieving limited targets on schedule. As a result, as few as five or ten programs, including those concerned with fuel and energy, science, food, communications, housing, and crime, will end up under direct government control by 1 March. The remaining 40 programs are supposed to be funded by state customers.

Other than budget sources are planned to be relied on for that, implying the already mentioned enterprises' own funds, including money from depreciation funds, which were revaluated to increase by a factor of 2.5 from 2 January, and funds from regional and local budgets of the Federation components, whose powers are to extend noticeably owing to loans and investment by domestic and foreign entrepreneurs, privatization profits, and so on.

Thus, the earlier slogan calling for "more of good and various programs," albeit impractical, has been replaced in the light of the new economic policy "with a sober, pragmatic approach." A successful implementa-

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tion mechanism would indeed serve as a reliable foundation for a restructuring.

The government program, however, does not cover much of an important ground: the country is going to live without any programs until March, and after draft programs are submitted to the government and discussed, they are supposed to be also approved by the State Duma. That will also take time. It is also very doubtful that money is going to come from other sources than the budget. This especially applies to funds proceeding from privatization, whose results and legal foundations may be revised.

Incidentally, the government session proceeded to the accompaniment by miners pounding their crash helmets on the pavement. The coal miners have been trying, for two days to make the government see their problems. The government has no money. And that is right.

Russia: Price Regulation of Natural Monopolies Pending

MK2701131296 Moscow SEGODNYA in Russian 27 Jan 96 p 2

[Report by Elmar Murtazayev: "The Economy Ministry Tries To Stop Cost Inflation. A Decree on Regulating Prices of Natural Monopoly Products Has Been Drafted"]

[FBIS Translated Text] The Economy Ministry has drafted a government decree on regulating prices and tariffs on products and services by natural monopolies (electricity, natural gas, freight haulage, oil transportation, and so forth) in the first half of 1996. According to an Economy Ministry official, four price regulation options have been submitted to the government, with their positive and negative aspects spelled out.

The first, softest, option envisions a dependence of natural monopoly prices on industry price indexes. The second option is the toughest: It provides for a full freezing of prices in the first and second quarters. This option least suits the Economy Ministry, because its adoption will impair both natural monopoly sectors and the federal budget. Incidentally, this regulation option was tested in the fourth quarter of 1995, when the government froze prices for monopoly products from 1 October 1995 until 1 January 1996.

The third and fourth options are of a compromise character. The third stipulates indexation of prices for natural monopoly products and services linked to the growth of industry wholesale prices with a 0.8 decreasing coefficient in the first quarter and their full freezing in the second. If in the preceding month other industry wholesale prices rose due to inflation by 4 percent, prices for monopoly products may not rise by more than 3.2 percent. Under the fourth option, the 0.8 decreasing coefficient is applied both in the first and the second quarter.

The third option is the most acceptable to the Economy Ministry, according to its representative. The ministry will recommend it to the government for approval. This choice is dictated primarily by fiscal considerations, because today the fuel and energy complex is the main source of budget revenues. In Economy Minister Yevgeniy Yasin's expression, the fuel and energy complex is the cash cow of the budget and it should be used softly and cautiously." Even so, most government officials uphold the fourth option, lobbying for the interests of the metallurgy sector, the military industrial complex, and the chemical industry. The question of prices on natural monopoly products is especially sensitive for these sectors. Pressed between the rock and a hard place of a stable currency rate and continuing inflation, these export-oriented sectors are now trying to stop the growth of domestic prices for energy sources, electricity, and transport. It is quite possible that a recent statement by First Deputy Premier Oleg Soskovets, who promised "tough measures to regulate natural monopolies," was brought about by concern about these sectors.

The government's attempts to impose stricter controls on monopolies are also based on considerations of economic restructuring in Russia. Owing to the broad opportunities for selling their products on the foreign market, after three years of reform the extracting sectors are in a more favorable situation than sectors with a high value-added share. This disproportion leads to unequal development of the economy as a whole, causing enormous social problems. Tougher regulation could in principle be seen as a government attempt to tackle this problem, were it not for the fact that the right to make the final decisions belongs to representatives of those economic sectors that are in the most vulnerable position, which could bring about another kind of disproportion.

Russia: Authorities Release Unemployment Figures

LD2901094196 Moscow ITAR-TASS in English 0923 GMT 29 Jan 96

[By Lilya Kuznetsova]

[FBIS Transcribed Text] MOSCOW January 29 (ITAR-TASS) — Russian authorities registered 2.3 million jobless in the country, as of January 1, 1996, or 40 per cent more than at the beginning of the previous year, Irina Milkhina, head of the press centre of the Federal

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Employment Service, said in an interview with ITAR-TASS here on Monday.

More than seven jobless people compete, on average, for one job now. However, according to Milkhina, the unemployment level is different in various Russian regions.

The Ingushetia and Udmurtia republics as well as the Ivanovo, Vladimir and Pskov regions are in the lead, as before. The unemployment level in Moscow, the Smolensk Region and the Yakutia Republic (0.5-0.9 percent) is lower than the country's average.

Despite the difficult situation on the labour market and the constantly dwindling number of vacancies, the service managed to find jobs for 2,378,000 Russians during the year, or 80 percent more than in 1994.

Besides, over 382,000 people (60 percent more than in 1994) mastered new trades which are competitive on the modern Russian labour market. The employment service was helpful in teaching these trades.

Milkhina stressed that all registered jobless people received benefits. The average size of unemployment benefits rose by 80 percent in 1995 from 67,000 to 120,000 roubles.

According to preliminary estimates of the employment service, it was helpful in creating 102,000 jobs in 1995, mostly for young people, invalids, single mothers, parents of large families, former servicemen and new settlers.

As many as 13,000 unemployed people received aid to open their own undertakings, including the sphere of small business and self-employed activities. More than 350,000 people participated in paid public works, and some 130,000 people used the right to go on pension at an earlier age.

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International Affairs

Ukraine: Kuchma Congratulates Russia on CE Admission

LD2601133696 Moscow INTERFAX in English 1200 GMT 26 Jan 96

["INTERFAX-UKRAINE" news item]

[FBIS Transcribed Text] ZAPOROZHYE, Jan 26 (INTERFAX-UKRAINE) — Ukrainian President Leonid Kuchma congratulated Russia on its admission to the Council of Europe. No European or world problems can be resolved without Russia, he said in an interview at a news conference in Zaporozhye.

Kuchma believed that the admission to the council will be a moral boost to Russia. He recalled that Ukraine supported the Russian application.

Kuchma emphasized, however, that Chechnya remains a painful issue for Russia and Ukraine does not feel well because of this. He called for a wiser policy which would help avoid crisis such as that in Chechnya.

Ukraine: MP Welcomes Russia's Admittance to Council of Europe

LD2601144996 Moscow INTERFAX in English 1200 GMT 26 Jan 96

["INTERFAX-UKRAINE" news item]

[FBIS Transcribed Text] STRASBOURG, Jan 26 (INTERFAX-UKRAINE) — For Ukraine, the admission of Ukraine [as received] to the Council of Europe is a welcome event because our countries are now in the same European home rather than on different sides of the iron curtain, Ivan Chizh, a member of the Ukrainian delegation to the council's Parliamentary Assembly and leader of the socialist group in the Ukrainian Supreme Soviet, told INTERFAX.

Chizh said in Strasbourg Thursday night that "our common political and economic problems will now be easier to tackle."

Boris Oleynik, Supreme Soviet's Foreign Affairs Committee chairman, told INTERFAX that admission of Russia to the Council of Europe is a lesser evil than keeping it isolated. "Now the world community will supervise and help Russia," he believes.

Oleinik added that the council will soon set up a commission on the conflict in Chechnya. "I think we have helped those constructive forces in Russia that want to put an end to the death dance in the Caucasus," he said.

Vyacheslav Chornovil, the leader of the Popular Rukh, noted that if as few as 21 deputies more had voted against, Russia's admission would have been put off.

"Some deputies had to vote under pressure from their governments," he said.

Chornovil emphasized that his party does not object to Russia joining the Council of Europe, "but let it [Russia] put its own house in order."

Ukraine: Kuchma Sends Greetings To Liberal Party Congress

LD2601202296 Moscow INTERFAX in English 1754 GMT 26 jan 96

[From the "Presidential Bulletin" feature: No 17 (1010)]

[FBIS Transcribed Text] President Kuchma has sent a message of greeting to the third congress of Ukraine's Liberal Party, which opened in Kiev on Friday. The message was read at the congress by the chief of the presidential staff Dmitriy Tabachnik.

IF note: The Liberal Democratic Party was founded in Donetsk in 1991. The party's leadership says that it includes 26 regional branches having 27,765 members.

President Kuchma called on the Liberals to promote a civic society and the diversity of political, economic and spiritual forms of life and a state of law as a guarantee of human rights and freedoms.

Kuchma said that the main pre-requisite for that was the drafting and adoption of a new constitution, which would incorporate a concerted diversity of economic, social, political and spiritual interests in all spheres of life and set reliable political and legal bearings that would ensure irreversible progress towards a highly industrialized democratic state.

President Kuchma called for the consolidation of all groups of society, politicians and political forces and preventing confrontation.

The Liberal Party of Ukraine is going to support President Kuchma's policies and promote market economy reforms, LPU Chairman Vladimir Shcherban has said. He was elected party leader at the party congress in Kiev on Friday. (Shcherban is chief of the Donetsk regional administration and Ukrainian parliament member. - IF)

The newly-elected LPU leader proposed amendments to the party's program, including a special clause on "constructive alliance with the president, government and local bodies of power."

Shcherban believes that the LPU's new program must say that the party is for the private ownership of

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land, decentralization of the economy and greater social protection of the population.

Shcherban also proposed changing the party's name to the Liberal Workers' Party of Ukraine.

Ukraine: Liberal Party Backs Kuchma, Economic Reforms

LD2601202796 Moscow INTERFAX in English 1804 GMT 26 Jan 96

["INTERFAX-UKRAINE" news item]

[FBIS Transcribed Text] Kyiv, January 26 (INTERFAX-UKRAINE) — The Liberal Party of Ukraine (LPU) will support the policy of President Leonid Kuchma and contribute towards economic reforms aimed at building new market relations in this country.

This was disclosed by LPU Chairman Volodymyr Shcherban, who was elected to this office at the party congress in Kyiv on Friday. V.Shcherban is the head of the Donetsk regional administration and Verkhovna Rada deputy.

The newly elected LPU leader proposed amendments to the party program, so that it would seal the provision of a "constructive alliance with the President, Government and local bodies of power".

In his view, the new party program should stipulate that the LPU advocates private ownership of land, decentralization of the economy and greater social insurance for the country's population.

V. Shcherban has suggested that the party be re-named into Liberal Labour party of Ukraine.

The LPU was founded in Donetsk in 1991. The party leaders say that it includes 26 regional organizations with a total membership of 27765.

Ukraine: Tabachnik: Ukraine To Uphold Europe Rights Standards

LD2601203196 Moscow INTERFAX in English 1707 GMT 26 Jan 96

[From the "Presidential Bulletin" feature]

[FBIS Transcribed Text] Ukraine is determined to abide by the Council of Europe's standards in drafting its laws, including those on ethnic minorities, the chief of the presidential staff, Dmitriy Tabachnik has said.

Tabachnik told the OSCE [Organization for Security and Cooperation in Europe] High Commissioner for Ethnic Minorities Max van der Stoel in Kiev on Thursday that the president and government had ordered forming an inter-departmental commission for ethnic policies.

The presidential press-service said the sides agreed that Ukraine had always conducted a balanced ethnic policy and adhered to its OSCE commitments to observing European human rights standards.

IF note: Kiev early this week said it was satisfied that Max van der Stoel's mandate was prolonged by another three years. The Ukrainian authorities believe that this will facilitate cooperation with the OSCE in solving the problem of minorities, for instance the return and settlement of deported peoples. Kiev hopes for international financial assistance in this matter.

After discussing the situation in the Crimea Tabachnik and van der Stoel agreed that there were clear signs of greater understanding between central Ukrainian authorities and the Crimean bodies of power. At the same time, as the drafting of Ukraine's new constitution was discussed, van der Stoel said he believed that the draft being discussed by the Crimean parliament went beyond the bounds of powers an autonomy can have.

The meeting was attended by the presidential regional policies adviser Vladimir Grinev and chief of the presidential staff's foreign policy department Vladimir Furkalo.

IF note: The Crimean constitution was adopted by the autonomy's parliament on November 1 1995 and it is now to be approved by the Ukrainian parliament. The the Crimean constitution disagrees with Ukrainian legislation when it comes to the rules of appointing the prime minister and formation of judicial bodies and local administrations and contains such a term as Crimea's "internal citizenship." The constitution also establishes Crimea's own flag, state emblem and anthem.

Ukraine: FRY Said To Lift Restrictions on Danube Shipping

LD2601152096 Moscow INTERFAX in English 1200 GMT 26 Jan 96

["INTERFAX-UKRAINE" news item]

[FBIS Transcribed Text] KIEV, Jan 26 (INTERFAX-UKRAINE) — Yugoslavia will remove all restrictions on shipping in the Danube, Aleksey Tekhov, director general of the Ukrainian Danube Shipping Company, told journalists in Belgrade Thursday night.

Tekhov was in the capital of the Federal Republic of Yugoslavia as a member of a Ukrainian delegation headed by Foreign Minster Hennadiy Udovenko, which ended an official visit there Thursday.

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Tekhov said that Yugoslavia had responded to U.N. sanctions by unilaterally levying passage duties on ships sailing in the Danube. Ukraine has paid a total of $18 million in several years.

Ukraine: Admiral Baltin Said To Remain in Command of BSF

LD2701185596 Kiev UNIAN in Ukrainian 1700 GMT 27 Jan 96

[FBIS Translated Text] Sevastopol — Admiral Eduard Baltin continues to command the Black Sea Fleet, despite the decision by the presidents of Ukraine and Russia to dismiss him from his post, a Black Sea Fleet spokesman told UNIAN today.

He said neither the Defense Ministry nor the Main Headquarters of the Russian Navy received documents proving that Baltin had been dismissed from his post.

The spokesman also said that Vice Admiral Petro Svyatashov did not perform the duties of the Black Sea Fleet commander, as some mass media had reported, but continued to occupy the post of chief of staff of the Black Sea Fleet.

Ukraine: Increasing Role in Settling Dniester Conflict Noted

WS2901095096 Kiev UKRINFORM in English 0805 GMT 29 Jan 96

[From the "Current Events" feature]

[FBIS Transcribed Text] According to reports from the Ukrainian Embassy in Chisinau, mediators in the negotiation process aimed at resolving the Dniester conflict have met at the Ukrainian Embassy in Chisinau. The meeting took place on the initiative of Ukraine's Ambassador to Moldova E. Levytskyy. Participants in the meeting included the chairman of the Organization for Security and Cooperation in Europe's mission in Moldova, M. Weigant, his deputy B. Radayev, and Deputy Russian Presidential Representative V. Spirin. The participants in the meeting noted Ukraine's increasing role in efforts aimed at resolving the conflict. They also stressed the positive impact which the joint declaration by the presidents of Ukraine, Moldova, and Russia have on the negotiation process.

Ukraine: Contract With Consortium To Launch Satellites Reported

LD2701145596

[FBIS Report] Kiev UNIAN in Ukrainian at 1100 GMT on 27 January carries a report on the international consortium Sea Launches — co-founded by the "Southern" Design Bureau, the Scientific Production Association "Southern Machine Building Plant," Boeing, the Nordic company Kvaerner, and the Russian joint-stock company "Energiya" — together with the DMK Hughes Galaxis corporation, have signed a contract to launch a series of satellites valued at $1 million, quoting the Ukrainian Space Agency's Chairman Eduard Kuznetsov.

He said that 10 satellites would be launched by the Zenit-2 CL launch vehicle, which was built on the basis of the Ukrainian Zenit rocket and the Russian Energiya launch vehicle. The launch complex consists of a mobile sea launch pad built by Kvaerner, a floating mechanical and installation base, and an accompanying scientific vessel.

The Boeing corporation that owns the controlling stake in Sea Launches [Ukraine's share is 15 percent] is providing the services of its control center based at Long Beach [Florida]. The first launch will take place in February 1998.

Ukraine: Canada Signs Protocol on Cooperation in Legal Reform

LD2501181696 Kiev UT-1 Television Network in Ukrainian 1900 GMT 24 Jan 96

[FBIS Translated Text] The visit to Kiev by a delegation from the Canadian Justice Ministry ended with the signing at the Ukrainian Supreme Court of a protocol of intent on cooperation between Ukrainian and Canadian Government and legal structures. This document envisages the establishment of close cooperation between the sides, the main aim of which is to promote legal reforms and establish an independent judicial authority in Ukraine.

National Affairs

Ukraine: President Outlines Economic Problems, Other Matters

LD2601132796 Kiev UNIAN in Ukrainian 1000 GMT 26 Jan 96

[FBIS Translated Text] Zaporozhye — Ukrainian President Leonid Kuchma's one-day visit to Zaporozhye region ended today. He visited the Tavrichesk ore-dressing combine, the Zaporozhye nuclear power station, and the Zaporizhtransformator joint-stock company.

At Zaporozhye nuclear power station's sixth generating set, which has been put into operation, Leonid Kuchma said that "by starting up the set Ukraine has shown the world community that it is still an industrial state with huge potential."

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At the Zaporizhtransformator joint-stock company the Ukrainian president held a meeting with managers of the region's industrial enterprises. According to Leonid Kuchma, the Ukrainian economy's greatest problems are the deficit of circulating assets, the need to conquer new markets, above all those lost in the CIS countries, the problems and contradictions in taxation policy, psychological retraining of personnel, and political stability in the state.

In the Ukrainian president's opinion, the main outcome of last year was that the year ended without hyperinflation and that the decline in production was reduced by 50 percent. Leonid Kuchma said that this year should be a watershed for our state.

Commenting on the dismissal of Black Sea Fleet Commander Eduard Baltin, the Ukrainian president said this was a logical decision, because "a joint fleet cannot be commanded by someone who is engaged mostly in politics."

Ukraine: Crimean Speaker Meets Kuchma, Prime Minister

LD2601181896 Kiev UNIAN in Ukrainian 1430 GMT 26 Jan 96

[FBIS Translated Text] Simferopol — The Crimean leadership has addressed a request to the Ukrainian president to keep the "single channel system of budgetary mutual relations between Ukraine and Crimea," said Crimean parliament Speaker Yevhen Suprunyuk in an exclusive interview for UNIAN. The Crimean parliament chairman said that at a meeting with Ukrainian President Leonid Kuchma on 26 January, he passed to the president a joint message on this matter, signed by the leaders of the Crimean Supreme Council, government, and local authorities.

Yevhen Suprunyuk also said that he had met Ukrainian Prime Minister Yevhen Marchuk and they had discussed six possible candidacies for the post of Crimean prime minister.

Ukraine: Marchuk, Crimean Parliament Chairman Discuss Issues

LD2601121796 Kiev UNIAN in Ukrainian 1100 GMT 26 Jan 96

[FBIS Translated Text] Kiev, [no date as received] — Ukrainian Prime Minister Yevheniy Marchuk met Crimean Supreme Council Chairman Yevheniy Suprunyuk on 26 January. At the meeting they discussed the issue of forming the Crimean Government and the Crimean budget for 1996, the UNIAN news agency learned from Larysa Ivshyna, the Ukrainian prime minister's press officer.

According to Ivshyna, Prime Minister Marchuk stressed that, notwithstanding the absence of a head of the Crimean Government, it was necessary to pay more attention to carrying out spring field work.

Suprunyuk has been invited, together with the acting head of the Crimean Government, to attend a Ukrainian Cabinet of Ministers sitting on 31 January, which will also be attended by contenders for the post of Crimean prime minister.

Ivshyna noted that the candidacy of Crimean prime minister would probably be agreed in the next few days.

Ukraine: Demydenko Appointed Acting Crimean Prime Minister

LD2701184596 Kiev UNIAN in Ukrainian 1655 GMT 27 Jan 96

[FBIS Translated Text] Simferopol — UNIAN has learned from reliable sources in the Crimean Supreme Council that Crimean Speaker Yevhen Suprunyuk signed instructions today appointing Arkadiy Demydenko to the post of acting prime minister of Crimea. Prior to this appointment, Demydenko was the Crimean Government's deputy prime minister in charge of industry.

The acting prime minister will be officially introduced on Monday, 29 January.

Yuriy Kocheharov, member of the Presidium of the Supreme Council of Crimea, commenting on Demydenko's appointment in an interview with UNIAN, said the parliament speaker was acting in line with the parliament's resolution of 18 January, under which he was instructed to appoint an acting deputy prime minister.

On the say day, the Presidium of the Supreme Council of Crimea held a session at which Suprunyuk said that he had reached an agreement with Ukraine's Prime Minister Yevhen Marchuk to the effect that he and the acting prime minister of Crimea will attend a session of the Cabinet of Ministers of Ukraine on 31 January.

According to reliable sources, Suprunyuk will propose four candidates for the post of Crimean prime minister: Deputy Prime Ministers Arkadiy Demydenko, Andriy Senchenko, and Oleksandr Krasnychenko and Volodymyr Lavrynenko, the autonomy's former minister for social security.

Under Ukrainian legislation, the candidate for the post of the Crimean prime minister should be coordinated with the president and the prime minister of Ukraine and then approved by the Supreme Council of Crimea.

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Ukraine: Crimean Parliament Patronizes Navy, Border Troops

LD2601174196 Kiev UNIAN in Ukrainian 1430 GMT 26 Jan 96

[FBIS Translated Text] Simferopol — The Crimean parliament has approved a resolution "On extending patronage to the land forces, navy, border troops, and Ukraine's National Guard." According to the resolution the town councils of Kerch, Feodosiya, and Yevpatoriya as well as other Crimean towns have been recommended to extend patronage to the Ukrainian Navy, promote the establishment of patronage within the land forces, border troops and Ukraine's National Guard, and to resolve together with commanders and all officers the social conditions, material and cultural problems of servicemen. This is a report from a UNIAN correspondent in Crimea.

Ukraine: Navy 'Virtually' Stops Financing Black Sea Fleet

LD2701124796 Kiev UNIAN in Ukrainian 1030 GMT 27 Jan 96

[FBIS Translated Text] Sevastopol — According to the FLOT UKRAYINY newspaper, the Ukrainian Navy has virtually stopped financing Black Sea Fleet ships and facilities since they were transferred to Ukraine. It has been established that Ukrainian seamen are receiving funds with considerable delay.

There are considerable differences between salaries in the Black Sea Fleet and the Ukrainian Navy. Thus, salaries of Black Sea Fleet Navy personnel are between 150 and 200 percent higher than those of their colleagues in the Ukrainian Navy. A comparison of average monthly salaries in the Ukrainian Navy and the Black Sea Fleet on 1 January revealed that a commander of a squadron of ships in the Ukrainian Navy receives 28.83 million karbovantsi while his Russian counterpart receives 86.351 million karbovantsi. The salary of a captain second rank is 27.132 million karbovantsi and 74.441 million karbovantsi respectively. Similar differentials exist for commanders of fighting units, petty officers, and technicians. Only seamen on compulsory service receive similar amounts — between 1.5 and 2 million karbovantsi.

Ukraine Seen 'Struggling' in World Arms Market

LD2601211396 Moscow INTERFAX in English 1915 GMT 26 Jan 96

[FBIS Transcribed Text] KIEV, Jan 26 (INTERFAX-UKRAINE) — A member of Ukraine's government said on Friday his country was finding it difficult to export its weapons.

Sales "are going very hard," Deputy Defense Minister Col. Gen. Vasiliy Sobkov told INTERFAX-UKRAINE during a visit to a military training center.

He said that last year the center was visited by the defense ministers of South Africa and Uganda, who saw some types of Ukrainian weapons. "They bought a few things from us," he said. South Africa, for instance, signed several agreements with Ukraine, among other things to buy air force armaments.

But potential foreign customers fear that, having sold a weaponry item, Ukraine will be unable to be providing enough ammunition and spares for it for the next 10 to 15 years, Sobkov said.

He also complained that the proceeds from arms trade were going not to the Defense Ministry but to the Finance Ministry, which was using them "to cover up holes in the national budget.

"I would like those funds to be used to revive the military industrial complex: to buy spares for Ukrainian military hardware and modernize the types of weapons which we already have," he said.

"We are still struggling for a place in the world weapons market, though we do have something to sell," he said.

Ukraine: Deputy Defense Minister Regrets Reduction in Forces

LD2801121196 Kiev Radio Ukraine World Service in Ukrainian 0800 GMT 28 Jan 96

[FBIS Translated Text] Ukraine would have never reduced its Armed Forces if it had enough funds to maintain them, Colonel General Vasyl Sobkov, deputy defense minister and commander of Ukraine's Land Forces told correspondents at the Land Forces junior specialists' training center in the township of Desna.

We, the military, would stand firm for maintaining the numerical strength of the Ukrainian Armed Forces at the level of 450,000 men, as was decided in 1992, he stressed.

The Cabinet of Ministers and the Supreme Council of Ukraine took a decision to reduce the Ukrainian Army to 350,000 men by the end of 1996 or the beginning of 1997.

We will be able to deploy many more troops, if need be, the general said.

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Ukraine: Former Defense Minister Berates Silos' Destruction

AU2601124396 Kiev UKRAYINSKA HAZETA in Ukrainian No. 2 (84) 18 Jan 96 p 1

[Commentary by Colonel General in Reserve Kostyantyn Morozov, former Ukrainian defense minister, UKRAYINSKA HAZETA military-political observer, and director of the Center for Studies of Ukrainian Statehood Problems: "Explosion to Dictation"]

[FBIS Translated Text] I view the recent voyage by the U.S. and Russian defense ministers to Ukraine as a political show. William Perry needed to prove that U.S. influence on Ukraine in what concerns nuclear disarmament is continuing. Pavel Grachev had to demonstrate that pressure on the part of Russia both in the sphere of nuclear disarmament and in the sphere of a independent political course will not diminish. Besides, the U.S. and Russian defense ministers pressed for the fulfillment of those decisions that concern interests of their states. At the same time, it has remained a mystery for many people what interests Ukraine intended to defend by its participation in that show. If there was a desire to show the world that we are a state with predictable policy, this has already been proved more than once.

I am trying to analyze, first and foremost, actions by our military guests in Ukraine. It is clear that the American defense minister continues to pursue the policy of the Armed Forces conversion. First, this may be considered as an attempt to apply skills, gained at his previous post (as deputy minister for conversion), in conditions of another country and, second, it is yet another stage in promoting the Unites States' worldwide prestige.

Russia also seeks conspicuous involvement in the processes of conversion in Ukraine. Its goal is to prevent us from independently deciding the fate of important facilities or from gaining a foothold in particular spheres as an independent state, especially in shaping an independent military policy, and, at the same time, to downplay the positive resonance of the Ukrainian policy in the world. Unfortunately, things develop contrary to what we want.

Blowing up the missile silo near Pervomaysk that was shown to the whole world on 5 January once again indicated that Ukraine agrees to those secondary roles that are offered to it in the world political scene. It is a great pity, but it is a fact.

As is known, back in July 1993, Ukraine's Supreme Council approved the main trends of our state's external policy in accordance with which nuclear weapons and all facilities that ensure their functioning and servicing were recognized as state property. Hence a question: Why don't we stand up for our own interests in using this property? An impression also arises that our defense minister, who was in the not so distant past an organizer of conversion in the Armed Forces, is still giving preference to conversion over building. As for the event in Pervomaysk, it can be said that not everything had been well considered there: Why no alternative projects had been worked out regarding the fate of the missile silos? The president and the government, for their part, could enlist the services of the Academy of Sciences and of branch research centers in search of the best variants for utilizing those complex structures. I know that people have many proposals.

In particular, the idea of using the missile silos for accommodating missiles with nonnuclear contents. Together with other means, they might be an effective factor in deterring possible adversaries. They could also be used for storing contaminated, toxic, or radioactive materials. There exists quite primitive technology: If the silo is filled with five to 10 meters of concrete, it can no longer be used for accommodating strategic missile of this class. It is only in such a case that the provisions of the START-I treaty may be fulfilled and facilities preserved in the state's interests, if we have such interests at all.

In other words, the problem has not been studied from the point of view of state interests. Had this been done, the problem of turning the Ukrainian land of plenty into a moonscape would not have emerged.

It was very strange to hear Russian Minister Grachev saying that it is absurd to give structures going down to depths equal to the height of a 12-story building to collective farms. Perhaps he is convinced that he knows better whether this is good or bad for us. However, do we ourselves know? If we are not sure today how to use these structures to the best advantage, we should postpone the resolution of the problem and seal the installations, while organizing international supervision. This may now be achieved without special problems.

As a farewell, minister Perry recommended we rejoice that wheat will grow on those hectares that will be freed from missile installations. However, I am sure that we will not be able to rejoice that soon, because we do not know what Ukrainian funds need to be invested for recultivating that land. There are many such hectares. Generally speaking, it is problematic whether we will be able to use that land and, if so, when.

The leaders of the U.S. and Russian military departments were very pleased that Ukraine arranged such an extraordinary spectacle for the whole world and with their participation. I am convinced of something else: From now on, all those who saw that "spectacle," or

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heard about it or read it in newspapers, will understand on whose instructions and under whose pressure Ukraine is building its independence.

Ukraine: Nationalists Ask Kuchma To Stop Statehood Referendum

LD2701132696 Kiev UNIAN in Ukrainian 1100 GMT 27 Jan 96

[FBIS Translated Text] Kiev — The Congress of Ukrainian Nationalists [CUN] has asked the Ukrainian president to stop the "propagandist provocations on the part of the left-wing forces" to gather signatures in support of holding an all-Ukrainian referendum on the future of Ukraine's state system and attitudes to the restoration of the Union.

Despite the fact that the Central Electoral Commission has refused to register initiative groups on gathering signatures for the referendum, the left-wing forces are continuing their action.

The CUN statement stressed that "the issues that are being proposed for discussion are openly anti-state." According to CUN members, "the stance of passive contemplation by the executive authority does not testify to its strength and contradicts the state's interests."

Ukraine: Deputy Finance Minister Relieved of Duties

WS2901101196 Kiev INTELNEWS in English 2317 GMT 26 Jan 96

[FBIS Transcribed Text] Kiev, Jan. 25 — Deputy Finance Minister Borys Sobolyev was released from his duties this week, according to a presidential decree published in the government newspaper URYADOVYY KURIER.

Sobolyev, who had also served as Deputy Foreign Trade Minister in 1992-93, was a favorite target of leftists in Parliament for his advocacy of tight spending controls. He will reportedly increase his responsibilities as director of a holding company that handles credits from international financial organizations coming into Ukraine.

According to other presidential decrees, Mykhaylo Zakharevych and Leonid Novokhatkovas were appointed Deputy Culture Ministers; Anatoliy Murakhovskyy was named as Cabinet of Ministers Press Service head; Transport Minister Ivan Dankevych was named to head the Ukraine-Lithuanian commission on trade, replacing Yuriy Zhykharev; and Ihor Zahlada and Eduard Skryl were appointed directors of the Ukrainian state credit and investment company.

Ukraine: Liberal Party Elects New Leader

LD2601141596 Kiev UNIAN in Ukrainian 1000 GMT 26 Jan 96

[FBIS Translated Text] Kiev — At the third congress of the Liberal Party of Ukraine, which began in Kiev today, 300 delegates almost unanimously (four abstained) elected Volodymyr Shcherban, people's deputy of Ukraine and chairman of Donetsk regional state administration, to lead the party.

Volodymyr Nakonechnyy was elected to head the party's executive committee.

Ukraine: 'No Legal Consequences' of Registration Repeal Noted

AU2901093196 Kiev DEMOKRATYCHNA UKRAYINA in Ukrainian 23 Jan 96 p 1

[Unattributed report: "A Recalcitrant Ex-Minister"]

[FBIS Translated Text] **"The Ministry of Justice board decision on canceling the registration certificate of Ukraine's Social Democratic Party [SDPU] will have no legal consequences for the party, because such a decision may only be adopted by court," stated SDPU chairman Vasyl Onopenko, former justice minister.** He sharply criticized the actions by Serhiy Holovatyy, who has replaced him in the ministerial post, and said that they had been dictated "by the pressure from above."

According to Onopenko, over the year of its united existence, the SDPU has brought the number of its members up to 15,000 in 22 Ukrainian regions. The party is preparing for its scheduled congress and is not going to give in.

Economic Issues

Ukraine: Deputy PM on 1996 Privatization Plans

WS2901102296 Kiev INTELNEWS in English 0310 GMT 28 Jan 96

[FBIS Transcribed Text] Kiev, Jan 26 — First Deputy Prime Minister Pavlo Lazarenko has announced that Ukraine will continue to follow Presidential policy in its 1996 course toward privatization.

Speaking Thursday at the State Property Fund collegium, Lazarenko said this year's agenda would focus on the mass privatization of small business, scheduled for completion during the first half of 1996. The SPF is aiming to complete mass certificate privatization by the end of the year.

Lazarenko called for a more competitive market economy, and he urged government to pay more attention to

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privatizing the country's agro-industrial business, particularly the food processing industry.

Criticizing the current pace of privatization at Ukraine's incomplete construction sites, Lazarenko suggested that the State should offer more investment incentives for the sites, including extended purchase contracts.

Ukraine: Minister Explains Refusal To Join CIS Customs Union

AU2601195296 Kiev URYADOVYY KURYER in Ukrainian 23 Jan 96 p 3

[Interview with Serhiy Osyka, Ukraine's minister of external economic relations and trade, by unidentified URYADOVYY KURYER correspondent; place and date not given: "Why Have We Not Joined the Customs Union?"

[FBIS Translated Text] **One of the main issues on the agenda at the session of the Council of CIS states was discussion of prospects for customs and payments unions. So far, apart from Russia, only Belarus, Kazakhstan, Kyrgyzstan, Uzbekistan, and Tajikistan agreed to join them. Ukraine did not join. For what reasons?**

[Osyka] The thing is that it is not a matter of joint development on a multilateral basis of a mutually advantageous customs union, but of joining the already available union on very specific terms. Here is one of those terms: From the moment of joining, Ukraine must introduce the same import tariffs on its products as exist in Russia.

What does this mean for Ukraine? For example, Russia is interested in low tariffs for agricultural products. We, on the contrary, want them to be high to protect our agricultural producers. Or take another example. Suppose Russia would want import tariffs on energy sources to be high, whereas we want their reduction. I could quote many such examples.

I have only touched upon one such condition. There also are others. For example, the creation of a supranational customs body.

There are, altogether, about 40 such conditions. Incidentally, it would be possible to hold a separate briefing dealing with their analysis. I will only say that we had analyzed these conditions and prospects for Ukraine's joining the customs and payments unions for several months. Certainly, the analysis was conducted from the point of view of our state's national interests. It is not an event dictated by one political consideration or another. Customs unions are a serious matter; they are created over decades and are meant for a long-term existence. That is why, I reiterate, specific conditions for Ukraine's joining the CIS customs and payments unions were discussed in detail precisely from the point of view of our national interests, and we arrived at the conclusion that it is not expedient for us to join those unions on such terms, because this would ruin the Ukrainian economy.

The second circumstance. Many people assert that particular economic issues cannot be resolved without the customs union. To put it mildly, this is far from being the case. Let us take the following argument advanced by supporters of joining: If we join the union, Russia will cancel its export tariffs, primarily for natural gas and oil. The thing, however, is that Russia should have already canceled them, in conformity with two agreements: on free trade with Ukraine and proceeding from its commitments to the International Monetary Fund.

To put it differently, questions of export-import tariffs may be resolved not only through the customs union, but also by other normally functioning mechanisms. In fact, all trade groupings that now exist in the world have gone through stages of free trade. All problems that emerge today in Ukraine's trade with CIS states (such as, for example, unification of our export and import tariffs and liberalization of transit operations) may be resolved in dozens of ways, and not only through the mechanism of the customs union.

Ukraine: Foreign Trade Reportedly Increased in 1995

WS2901093096 Kiev INTELNEWS in English 0213 GMT 29 Jan 96

[FBIS Transcribed Text] Kiev, Jan. 26 — Despite a production decrease, Ukraine's foreign trade volume increased by 31.7 per cent in 1995 in comparison with the previous year, to equal $24 billion, caused by liberalization of foreign trade and stabilization of the national currency, according to Volodymyr Hlavatskyy, Foreign Trade Ministry economic department chief.

The main trends of foreign trade in 1995, Hlavatskiy thinks, were an increase in exports, a 25 percent decrease of Ukraine's unfavorable trade balance and a decrease in the volume of barter operations.

According to the State Customs Committee, over the first 11 months of 1995, imports increased by 38 percent over the previous year, to equal $10.4 billion. Exports reached $11.4 billion, a 17 percent increase over 1994. The highest growth of exports, 40 percent, occurred in the third quarter.

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External commodity circulation between Ukraine and foreign states increased by 45.9 per cent over the period, to equal $10.6 million.

The most active importers to Ukraine were Germany, Poland and the United States, accounting, respectively, for $836 million, $415 million and $374 million in exports.

As previously, the main trading partners of Ukraine remain the CIS and Baltic states, which cover 55 percent of exports and 57 percent of imports. According to the State Customs Committee (without counting entries through pipelines), over the first 11 months of 1995, the trade turnover with these countries increased by 17 percent and became $12.1 billion, exports equaling $ 6.3 billion and imports $ 5.9 billion.

Exports to Russia totaled $4.9 billion. In Hlavatskyy's opinion, Ukraine lost more than $1 billion in trade with Russia only because of unequal trade conditions.

Ukraine: Commercial Banks' Performance in 1995 Detailed

WS2901104896 Lvov INFOBANK in English 0801 GMT 29 Jan 96

[From the "News Service" feature]

[FBIS Transcribed Text] The Center for Information and Analysis Bank-Inform of the Association of Ukrainian Banks revealed information regarding financial operations of Ukrainian commercial banks in 1995. Below-mentioned figures were calculated as of January 1, 1995.

Figures in parentheses indicate an increase of the former figure as of January 1, 1995, expressed in percents. The largest volume of assets was accumulated by the following ten banks (the first figure indicates the amount of a bank's own assets, and the third figure indicates the amount of its statutory fund expressed in billions of karbovantsi): Ukrayina — 24,424 (330%) and 3,725 (426%); UkrSotsBank ("Ukrainian Social Bank") — 13,531 (283%) and 930 (372%); Hradobank — 8,118 (453%) and 5,840 (1,168%); OshchadBank ("Bank of Savings") — 5,564 and 675; First Ukrainian International Bank — 5,384 (418%) and 189 (584%); PryvatBank (Private Bank") — 3,154 (346%) and 1,000 (564%); Aval — 3,080 (649%) and 1,072 (581%); UkrInBank ("Ukrainian Innovational Bank") — 2,475 (390%) and 250 (228%); UkrKredytBank ("Ukrainian Credit Bank") — 1,999 (160%) and 100 (333%); and UkrNaftoHasBank ("Ukrainian Gas and Oil Bank") — 1,280 (2,396%) and 1,053 (10,244%). Except the First Ukrainian International Bank and the PromInvestBank, the remaining eight banks are from Kiev. The former two are from Donetsk and Dnipropetrovsk respectively.

The amount of currency of balance (expressed in billions of karbovantsi) indicate a volume of assets of a bank's balance (an integrated financial indicator of the volume of bank transactions). The largest amount of currency of balance was accumulated by the following ten banks: Ukrayina — 177,102 (151%); UkrSotsBank — 120,327 (209%); OshchadBank — 110,046; Pryvat-Bank — 59,902 (296%); Hradobank — 52,275 (274%); Aval —39, 975 (501%); UkrInBank — 29,344 (244%); First Ukrainian International Bank — 25,719 (366%); UkrKredytBank — 8,801 (216%); and West Ukrainian Commercial Bank (Lviv) — 8,217 (382%).

The biggest profit was yielded by the following ten banks (in billions of karbovantsi): Ukrayina — 22,159; UkrSotsBank —14,779; OshchadBank —7,288; First Ukrainian International Bank —3,212; PryvatBank — 3,044; Aval —3,024; Hradobank —1,381; UkrInBank — 1,373; VaBank (Kiev) — 1,121; and Azhio (Kiev) — 1,045. In 1995, the total profit yielded by 107 Ukrainian banks was 70,454 billion karbovantsi.

The profitability of capital funds indicate efficiency of the implementation of assets invested by founding members and shareholders. Among the most profitable banks are the following: First Ukrainian International Bank — 1,702%; UkrSotsBank — 1,589%; Oshchad-Bank — 1,079%; VaBank — 626%; Ukrayina — 595%; UkrInBank — 549%; UkrKredytBank — 510%; Yug-ToKoBank (Dnipropetrovsk) — 451%; Azhio — 395%; and Grant (Kharkiv) — 354%. The average profitability indicator for 107 banks is 238%.

The following ten banks showed the highest financial solvency which indicates the ability to cover deposited funds by a bank's own assets: VG-Bank (Sumy) — 6,412%; Avtorytet (Kiev) — 1,242%; Vito (Kiev) — 913%; Kontakt-Bank (Odessa) — 860%; Yevropeyskyy (Kharkiv) — 673%; TavrydaBank (Melitopol) —607%; Korn-Bank (Kiev) — 426%; Volyn-TordInvestBank ("Volyn Bank of Commercial Investments" from Lutsk) — 323%; Pryval-Eksel (Kharkiv) — 303%; Oazys ("Oasis" from Ternopil) — 264%. The National Bank of Ukraine determined a mandatory indicator of solvency which should not be lower than five percent. The average indicator of solvency of 107 banks is 27%.

The following ten banks are leaders in deposits made by individuals (in billions of karbovantsi): OshchadBank — 36,286; PryvatBank — 2,534; Ukrayina — 2,489; UkrSotsBank — 1,073; Aval — 1,057; UkrKredytBank — 396; PerKomBank ("First Commercial Bank" from Kiev)— 357; DonVuhleKomBank (" Donetsk Coal Commercial Bank" from Donetsk) — 343; VaBank — 231; UkrInBank — 226. In 1995, the total amount of

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deposits made by individuals in 107 commercial banks amounts to 47,150 billion karbovantsi.

Ukraine: Property Fund Chairman Interviewed on '96 Plans

WS2901123596 Kiev INTELNEWS in English 2316 GMT 28 Jan 96

[By Andrey Yevtushenko, from the "Economic Review" feature]

[FBIS Transcribed Text] Ukraine's embattled State Property Fund chairman summarizes privatization and discusses initiatives for 1996, including improving Ukraine's stock market.

ER: What is the status of small-scale privatization in Ukraine?

YEKHANUROV: There are 22,500 small enterprises ready for privatization. The total volume of small-scale privatization in Ukraine will be about 34,000 businesses.

Preliminary analysis shows that from 1992 through 1995 about 21,000 businesses were privatized, though within the first three years of privatization only 9,000 businesses changed their form of property. According the policies of the president and reflected in the government's activity program, a mass small-scale privatization is planned for the first half of 1996. Though, we understand privatization will be carried out in several more years to come. The fact is there are many objects of small-scale privatization in such branches of our economy as railway transport, coal industry, etc., which are reserved from privatization.

The rate of privatization, in my opinion, is constrained by local governments failing to sell small-scale business premises. Consequently, local budgets in economic crisis didn't receive huge sums of income. It happened because the majority of small-scale businesses being privatized belong to municipal governments, and the decision on form of privatization, in accordance with legislation, is to be adopted by the local council. In formulating small-scaled privatization policies, the national government targeted the presence of competitive auctions. Local councils by inertia sold these businesses to working collectives for a trifle, or permitted them to be leased, putting off buyout until the future.

The statistics show that about 80 percent of privatized small- scaled businesses in Ukraine became the property of working collectives and only 20 percent obtained new owners. The first auction, in the capital of Ukraine in December 1994, showed that it's possible to receive money into the budget, if the local power is interested in it. Failure to privatize small-scale businesses left most local budgets without real sources of revenue, and gave the possibility for officials' continued control over trade.

There are about 17,900 large- and mid-sized enterprises in Ukraine that are to be privatized. About 6,300 are businesses that the Parliament reserved from privatization. From the other 11,600 enterprises, 2,700 were privatized from 1992 to 1994. For 1995, according preliminary calculations, this figure is about 3,400 enterprises. So half of large- and middle-sized enterprises from privatization list have already passed to their new owners. The enterprises were sold or passed the process of sharing. This year we plan to privatize 350 to 400 large-scale businesses every month. Only such rates will give us a possibility to meet goals.

ER: But a would-be investor in a mid-sized business can be overwhelmed from such quantity of enterprises to be privatized?

YEKHANUROV: The objects of large- and middle-scale privatization can be divided into three groups. The first and largest group, about 45 percent, is formed by agricultural complex enterprises. Though there are some peculiarities there, agricultural privatization in 1995 grew considerably. In the first quarter only 113 processing industry enterprises were privatized, in the second quarter 161 were privatized, in the third quarter 316 were privatized, and in the fourth quarter this quantity exceeded 600. So talk characterizing agricultural complex reform as being blockaded doesn't have a basis.

The second group of large- and mid-sized businesses are designated as strategically important for Ukrainian economy enterprises. The Cabinet of Ministers is determining the list, which will consist of about 300 enterprises. Its privatization will be carried out according with its individual plan, because production of these enterprises is very important for each Ukrainian citizen. We don't intend to force property form changes on these enterprises, because the Ukrainian future depends on their work. The State Property Fund will do everything to supervise potential investors, both foreign and native. This work will be under control of the Cabinet of Ministers.

Together with branch ministries, the Fund's staff is busy preparing these enterprises for privatization, needed because majority of "strategic" enterprises are overloaded with social services for workers. Also there are problems concerning these enterprises re-structuring in the privatization process: their de-monopolization.

The rest of enterprises forming the third group will be privatized according to a standard scheme with wide participation of Ukrainian citizens.

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The year 1996 will be very important concerning property reform processes in Ukraine. Within this period, we want to finish the privatization environment for securities. The preliminary information says that about 52 percent of the Ukrainian population received their privatization certificates. The State Property Fund administration addressed to the government and the president requesting to finish distributing certificates by the end of June, and the certificates can be traded for shares until then.

ER: What about promises by government for the compensation certificates for deposits in OshchadBank (Savings bank), housing checks and other securities?

YEKHANUROV: Government is now putting into circulation compensation certificates to protect the people from depreciation losses of money in the savings bank.

The State Property Fund prepared the list of enterprises that population is most interested in. I hope that the real shares' price, which will be sold by privatization certificates, will correspond to the price figure written on certificate.

Another kind of securities that are part of privatization are housing checks. People who can't use these certificates for privatizing their house can invest them into enterprises. According [to] estimates, about 30 million citizens will receive these checks. Distribution and of these checks is planned this year ..

ER: Will the people's securities be supported by the state financial aid to the enterprises?

YEKHANUROV: It's a pity, but Ukraine's version of privatization adopted by the Supreme Council in 1992 gives very little real aid to our industrial enterprises. That's why in selling shares of enterprises, we plan to organize competitions for investment pledges. We hope they will help to bring to the Ukrainian economy considerable capital from within Ukraine and from abroad. The Fund administration is preparing for attracting investment, in particular, by organizing competitions. In mid-January with participation from international organizations, ministries and departments of Ukraine, and enterprise representatives, we discussed formulating a concrete mechanism for competitions in large quantity. Every competition has indicated that always some participants were discontented. But it's not to be forgotten that competition presupposes one's victory and the other's loss. It's a pity, but in those competitions only a fraction of investors participated. To increase participation, we're bringing mass media as a means of pressure on government, commission members and the SPF administration.

ER: In reality, mass privatization is impossible without development of primary and secondary securities market. What does the Fund administration have to do foster development of the stock market as a lever for privatization in Ukraine?

YEKHANUROV: We work a lot to do everything possible to develop the securities market infrastructure. Without it there would be no means for our enterprises.

It depends upon creating a corresponding network of independent shares registrars. Together with the State Commission for Securities, Supreme Council, Financial and Economics ministries, and National Bank of Ukraine, we're working out the system in Ukraine.

Why is it necessary? Each Ukrainian citizen will have the right not only to register his property with an independent authority, but also to have the right to sell his shares. We have to say, honestly, that not everyone has the patience to wait for dividends from "idle" industrial enterprise. So shares must be free for selling. Support will be received by those who seriously want to work as securities agents. Now we need hundreds of such firms in Ukraine. Another important problem is creating the out-of-exchange system of selling securities, because the exchange is principally listing only large industrial enterprises.

Last year, we also managed to start creating post-privatization support system for enterprises. The chiefs of these enterprises must show their goods to convince people and foreign firms in the necessity of investments for production.

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Belarus

Belarus President Gives Guarantees to German Businessmen

LD2601202896 Moscow INTERFAX in English 1707 GMT 26 Jan 96

[From the "Presidential Bulletin" feature]

[FBIS Transcribed Text] Belarusian President Alyaksandr Lukashenka has said that of all former Soviet republics his country is one of the most lucrative ones for heavy foreign investments.

As he met with a delegation of German businessmen on Friday, President Lukashenka promised they would not be disappointed in the Belarusian market, because appropriate guarantees were already in place. Lukashenka pointed to a number of such guarantees, including the geopolitical position of the country, a sophisticated communications network not found anywhere else in the CIS, skilled labor and the stable political and social situation.

President Lukashenka said the national army was "capable of protecting the integrity and inviolability of the property of foreign investors in Belarus in the most complicated situations."

President Lukashenka said that German businessmen knew all that perfectly well from the German embassy and an effective intelligence.

As he called on German businessmen to expand cooperation with Belarus, President Lukashenka gave personal guarantees that the assets of German firms in Belarus would be firmly protected. He described irreversible economic reforms as the best guarantee investments would be safe.

At the same time President Lukashenka warned that his invitation addressed to German businessmen should by no means be interpreted as an indication of the authorities' weakness or bowing to the West. "The point at issue is mutually beneficial bilateral cooperation," he said.

About the political situation in Belarus Lukashenka said that the recent democratic parliamentary elections were evidence of the people's political maturity.

"European parliament experts who monitored the elections believe that the elections of the Belarusian national legislature were fully constitutional. This not only brings Belarus closer to admission in the Council of Europe, but also gives a fresh impetus to implementing an agreement of partnership and cooperation between Belarus and the European Union," Lukashenka said.

He promised that as the head of state he would ensure mutual understanding and cooperation by all branches of power, however, he would not like to mix politics and business.

Lukashenka said once again that the Belarussian leadership "categorically disagreed" with the idea of NATO's expansion to the East. "We are against any new military programs or emergence of new military blocks. This is Belarus's fundamental political position," Lukashenka said. However, he confessed that it was not understood by the United States, Germany or former Warsaw Treaty countries. President Lukashenka said that in a situation like that attempts were made to put economic pressure on him through businessmen.

In reply to remarks that economic reforms in Belarus, including privatization, were too slow, President Lukashenka said that no standards had been devised yet to measure the pace of privatization and determine whether it is quick or slow.

"Reforms in Belarus will be well-planned, and not spontaneous. The current government is a guarantee of this, because it consists of pragmatic managers who, before taking ministerial posts, were industrial, bank or business managers," Lukashenka said.

Belarus: Deputy Criticizes Lukashenka's 'Nuclear Blackmail'

WS2601142396 Minsk SVABODA in Belarusian 23 Jan 96 p 1

[Interview with Belarusian Supreme Soviet Deputy Anatol Lyabedzka by A. Hruzdzilovich; place and date not given: "Nuclear Blackmail Against the West — Path Without a Future" — first two paragraphs are SVABODA introduction]

[FBIS Translated Text] "I hope that we will not have to deploy again the withdrawn rocket-nuclear weapons on Belarus's territory" — this statement made by President Alyaksandr Lukashenka during his visit to Moscow evoked another splash of disputes and commentaries.

Myacheslaw Hryb, in his commentary to SVABODA, expressed his concern about the fact that once again Belarus may become a hostage of antagonism between the East and the West if it takes the stance of unconditional support of one of the sides. Supreme Soviet Deputy Chairman Henadz Karpenka and [former Foreign Minister] Pyotr Krawchanka did not approve the methods of nuclear blackmail against the West, either. A SVABODA correspondent spoke about this issue in more detail with Supreme Soviet Deputy Anatol Lyabedzka.

[Lyabedzka] First, I was among those deputies of the 12th Supreme Soviet who categorically opposed the

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mechanism which has been proposed for the discussion of the START-I Treaty. We proceeded from the fact that it had never happened in world history that such an important issue was discussed in such a hasty manner, without making an analysis or providing a forecast. We should have raised the issue of financial compensation for rockets and environmental damage. Unfortunately, we have lost the initiative in the negotiating process, as a result of which our national interests suffered. This was the timeserver syndrome. However, currently similar statements are once again shaking the world and causing disagreements. This could be stated somewhere in a village by some little fellow who has no idea about the problem, but not by the leader of a state. Therefore, I would like to add to my commentary that it would be expedient to raise the issue of state leaders' responsibility for what they say. We are already accustomed to different statements; however, people in the world are listening more attentively to every word. I am sure that such statements are not to the advantage of Belarus's international authority.

[Hruzdzilovich] People say that Alyaksandr Lukashenka performs a certain obligatory ritual while visiting Moscow, that of pledging loyalty to Russia and voicing threats toward the West....

[Lyabedzka] In any case, I cannot put up with the fact that other states resolve their geopolitical tasks by using the independent state of Belarus. We know that an integration process is carried out, which is reflected in politics. However, in my opinion, such militant statements do not correspond with the essence of the kind of integration in which we are interested. We should be realistic. We are a small country whose ability to exert influence on the geopolitical situation in Europe is limited. Therefore, it would be better if we concentrate our attention on economic relations. However, the standpoint on the situation seen from the perspective of a 60-year old general of the Soviet Army — who feels support of the powerful nuclear empire — does not correspond with reality. Of course, one can establish one's image by voicing threats to the world, just as Saddam Husayn did. However, if one only wants to achieve a situation in which people talk about him, then one has to be aware of what consequences this may produce.

[Hruzdzilovich] Can you rule out the possibility that by undertaking such unique measures the president is trying to return to the issue of financial compensation for Belarus for the loss of nuclear weapons?

[Lyabedzka] Naturally, we should raise this issue: Both the president and the Supreme Soviet should resume the negotiation process on the compensation issue. However, this should be done in a different way. Within the framework of civilized politics, the method of nuclear blackmail is unacceptable and has no prospects for success. Belarus will not gain authority following this path.

Belarus: Kaliningrad Wants Extensive Cooperation Agreement

LD2801155296 Minsk Radio Minsk Network in Belarusian 1300 GMT 28 Jan 96

[FBIS Translated Text] Yuriy Matochkin, head of the administration of Kaliningrad Region, has sent a letter to President Alyaksandr Lukashenka outlining a proposal to set up a long-term cooperation program between the region and the Republic of Belarus. Matochkin proposes a meeting with the Belarusian head of state to discuss draft agreements on bilateral cooperation in the fields of transport, communications, trade, economy, power engineering, and also agriculture and food, culture etc. The leadership of Kaliningrad Region is specially interested in cooperation with the town of Grodno and the adjacent areas.

BELAPAN has been told by an authoritative source that Alyaksandr Lukashenka considers the proposals by the head of administration of Kaliningrad Region to be worthy of attention and has instructed central bodies of authority, regional executive committees, and the Minsk City Executive Committee to consider them and organize the negotiating process.

Belarus: New Chairman of President's Press Service Appointed

WS2901091596 Minsk BELAPAN in English 0801 GMT 29 Jan 96

[FBIS Transcribed Text] Mikhail Sharshavitski has been appointed as chairman of the formed press-office of the President of the Republic of Belarus by order of Mikhail Myasnikovich, the head of the Presidential Administration. Mr. Sharshavitski, a Belarusian, was born in 1951. He graduated from the Diplomatic Academy of the USSR Ministry of Foreign Affairs. He served as press-attache and vice-consul in Hamburg. In 1992 Mr. Sharshavitski was appointed as chief of the Analytical Department at the Council of Ministers, then he served as deputy chief at the Central Public and Political Information Board of the Presidential Administration. Prior to his present appointment, he headed the National Press Center.

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Moldova

Moldova: Officer Claims Moscow, Tiraspol Plot Against Lebed

AU2601201596 Chisinau BASAPRESS in English 2057 GMT 25 Jan 96

[FBIS Transcribed Text] Chisinau, 25/01/1996 (BASA-press) — Ion Josan, Moldovan police officer, arrested in September 1995 by Special Tiraspol Services and recently escaped from prison, stated in Chisinau today that Dniester and Russian security services attempted to impede Gen. Aleksandr Lebed, former 14th Army commander, from being elected to Russian State Duma.

At a press conference today, Josan said he managed to escape on the night of January 16.

Josan, former 14th Army command employee, was daily cross-examined by Dniester security operatives. A representative of the Russian military prosecutor was always present at the examinations. "They requested of me to make statements which could compromise Gen. Lebed and former Tiraspol garrison commander, Col. Mikhail Bergman. In particular, they wanted me to tell them about certain depositories in which Lebed secretly kept weapons confiscated from Dniester military detachments upon conclusion of the 1992 military conflict," said Josan, adding he knows nothing about such depositories.

"I was interrogated in the presence of certain persons wearing civilian clothes who wanted me to make compromising depositions about Gen. Lebed. I am sure there are employees of the Russian Federal Security Service," said Josan. He was told during the cross-examinations that he would be released only if Lebed did not get into the Russian Duma. Josan was denied an attorney and the interrogations were so intense that he even fainted several times. Referring to his escape, Josan said he acted on his own with the help of an employee of the military command, implying the Moldovan Interior Ministry does not have any connection.

Another Moldovan policeman, Vitali Landyrev, arrested together with Ion Josan is still in prison in Tiraspol. Victor Catana, Moldovan vice interior minister, stated at the conference that the two policemen "have become hostages of the political games played in Moscow."

By arresting Josan and Landyrev, the special Dniester services attempted to rouse Moldovan Interior Ministry to take response measures and thus provoke a new armed conflict.

Moldova: Chisinau's Stance on 'Dniester Crisis' Viewed

AU2701165796 Chisinau BASAPRESS in English 2057 GMT 25 Jan 96

[BASA-press "Political Commentary"]

[FBIS Transcribed Text] Chisinau, 25/01/1996 (BASA-press) — The Chisinau presidential institution is very enthusiastic about the joint statement of Moldovan, Ukrainian and Russian presidents concerning the acceleration of the Dniester conflict solution, made at the recent summit in Moscow.

Certain local observers said the statement is a "notorious diplomatic achievement of Chisinau officials."

Asked to estimate the statement, Snegur's advisers stated Tiraspol (which, according to presidential advisers, was finally told the Dniester autonomy is accepted only in condition of Moldova's integrity inviolability) will have to accept the subordination to the Moldovan central authorities, give up the claims to equal subject in Chisinau-Tiraspol talks, and in partition of authorities of the future autonomy.

Being hard up, Tiraspol authorities should advance on the way of fruitful cooperation with Chisinau. Moreover, the common option of Moscow and Kiev presidents for the acceleration of the Dniester conflict political solution might bear advertisement value according to Petru Dascal, presidential political adviser.

If Tiraspol shirks constructive cooperation with Chisinau officials, the signers of the statement might revert to sanctions similar to those applied in Abkhazia. The degree of autonomy to be granted to Dniester is part of Chisinau's prerogatives, that will take in consideration Tiraspol's wish.

The desired placement of the carriage behind the bulls obtained easier than expected by the Chisinau diplomacy (on the background of the "Chechen crisis") seems to have led to an exaltation of the Chisinau presidency and to an inhibition of the self-proclaimed Tiraspol presidency. Smirnov has not panicked and was quick to launch impolite assessments of the document concluded by Yeltsin and Kuchma. The Tiraspol leader, on the contrary, tries to preserve the dignity and declared that Tiraspol would not give up the earlier options since it submitted proposals in accordance with the statement by three presidents.

Both his decree regarding the obligatory customs duties on imports and exports transiting the territory of the unrecognized Dniester signed by him immediately after the statement in Moscow, and the application for joining the CIS, sent by Smirnov to all heads of CIS member

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states, including president Snegur, suggest that Tiraspol will not give in.

Under these circumstances Chisinau will have to revert to CIS assistance, however important the promises not to participate in the political and military aspects of the former soviet community.

The fact that Snegur had to take note of the "Concept on prevention and settlement of conflicts on CIS territory," when signing the respective decision (which according to state minister Valerian Verstiuc does not provide for any special obligations for Moldova) is rather symptomatic.

Of course, President Snegur couldn't act otherwise for Boris Yeltsin, the author of the concept, accepted to sign the declaration which serves the Tiraspol administration as a "bridle."

Other opportunities, more obvious (the customs union, for instance, having much in common with the frontier questions), might determine Chisinau to penetrate the sphere of collective security or other areas of political cooperation.

Fortified by the economic dependence which cannot be given up by the executive, the political attachment to the CIS is likely to be the price which Moldova will pay for the Dniester conflict solution. The presidential advisers believe that this price should be called "the Dniester crisis," as this term would be more adequate with the latest developments.

Moldova: Sherbansky: Energy Problem May Harm National Security

AU2701170296 Chisinau INFOTAG in English 2143 GMT 24 Jan 96

[FBIS Transcribed Text] Chisinau, January 24 (INFOTAG) — The unsolved energy problem in Moldova may lead to complications which may shatter the national security, stated Alexandru Sherbansky, adviser to President Snegur, at today's briefing.

At present, energy consumption per unit of production in Moldova is 5-6 times greater than in developed nations. The republic spends 2-3 times more fuel to generate a unit of electric power than was in the Soviet era.

The national electric power networks and fuel delivery to the republic are based on a system which was shaped and functioned in the Soviet times. However, now this very system generates lots of problems which may even undermine the national security.

President Snegur prepared propositions on an alternative supply with energy. However, Moldova has not yet worked out an appropriate state program to realize them, Mr. Sherbansky said.

The State Energy Department has prepared a report on using alternative energy sources. Experts are studying possibilities of linking Moldova to the Romanian power station of Cernavoda, as well as importing coal from Poland. Currently, Mircea Snegur is forming a Presidential Energy Problem Council, the Adviser said.

Moldova: Russia's Observance of Withdrawal Deadline Doubted

AU2701192896 Chisinau INFOTAG in English 1904 GMT 26 Jan 96

[FBIS Transcribed Text] Chisinau, January 26 (INFOTAG) — By having joined the Council of Europe, Russia undertook to ratify the Army Withdrawal Agreement within six months. An amendment to admission documents, proposed by the Moldovan delegation, was supported by most delegates in the room, and Thursday [25 January] night the Parliamentary Assembly [of the Council of Europe] voted for Russia' admission to the international forum, INFOTAG was told by delegation head Dumitru Diacov, who phoned from Strasbourg last night.

The passing of the amendment is an important step forward in Moldova's movement towards removing all foreign troops from its territory, the parliament deputy chairman said. With an account of present-day complicated political situation in Russia, and bearing in mind what kind of forces are at power there, it is possible to expect certain attempts to ignore this new commitment, Diacov believes.

"In that case, Russia will enter into a serious conflict not only with international law, but also with the Council of Europe, which took a painstaking decision to admit Russia despite its complicated and contradictory internal situation," Diacov emphasized.

According to him, all the five members of the Moldovan delegation were free to vote as they liked. Their political convictions turned out to be different, and three members, representing the parliamentary majority, voted for admitting Russia, while two opposition deputies —, against.

Besides the "Russian question," the Parliamentary Assembly considered several other "everyday" issues. In Diacov's opinion, for Moldova the most essential of them was teaching and studying of history in Europe, for this question is sufficiently painful and important for this republic.

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Kazakhstan

Nazarbayev, Russia's Grachev Discuss Defense Issues

LD2601203296 Moscow INTERFAX in English 1707 GMT 26 Jan 96

[From the "Presidential Bulletin" feature]

[FBIS Transcribed Text] Kazakh President Nursultan Nazarbayev and Russian Defense Minister Pavel Grachev met in Almaty Thursday [25 January].

The discussion centered on issues relating to common defense, Nazarbayev told journalists after the talks with Grachev.

He also said that at his latest meeting with Russian President Boris Yeltsin in Moscow on January 19, they reached agreement on further integration between Russia and Kazakhstan, including in military cooperation.

Nazarbayev recalled that the two countries signed a large-scale agreement on military cooperation on March 3, 1994, and 21 agreements on military-technical cooperation.

Currently, Moscow and Almaty are resolving concrete issues related to joint air defense, the status and order of the use of test fields in Kazakhstan, the training of Kazakhs in Russia, assistance in the creation of a Kazakh naval base on the Caspian Sea and other issues.

Grachev told journalists that all these issues will be discussed tomorrow at a joint session of the two countries' Defense Ministries, after which a series of joint documents are expected to be signed.

He also said that Nazarbayev is the most active champion of the joint use of facilities for mutual security interests, for air defense and for the system of missile attack warning.

According to Grachev, there is complete mutual understanding on these issues between Nazarbayev and Yeltsin, and the defense ministers "will fulfil their instructions."

Kazakh, Russian Defense Ministers Sign Military Accords

LD2701091996 Almaty Kazakh Television First Program Network in Russian 1500 GMT 26 Jan 96

[FBIS Translated Excerpt] As we have already reported, Russian Defense Minister Pavel Grachev is in our republic on a working visit. By now we may say that the visit was successful. Today [26 January] the two countries' defense ministers signed a package of documents on cooperation in the military sphere.

The second day of the visit to Kazakhstan by Russian Defense Minister Grachev was devoted to talks at the republic's Defense Ministry. [passage omitted]

Afterward a joint collegium of the leadership of the two countries' Defense Ministries started. It was, naturally, held behind closed doors. However, in the afternoon journalists' curiosity was partially satisfied. Following the talks and the collegium's joint meeting, a package of documents was signed, including agreements on organization of communications, the procedure for mutual payments, cooperation by duty officers in the air defense system, collaboration in military science and naval matters, and training of military personnel. A decision was also taken on the Balkhash center [in eastern central Kazakhstan], a missile attack warning system. A total of 16 documents were signed.

After that Grachev and [Kazakh Defense Minister] Alibek Kasymov gave a joint news conference. However, no answers were given to any questions about Pervomayskoye and Chechnya: Grachev categorically refused to comment, saying that this was Russia's internal affair. As for other questions relating to those 16 documents, the defense ministers gave full and exhaustive answers. Summing up the meeting, Defense Minister Kasymov called the talks successful, for they had been in preparation for almost six months. [passage omitted]

Nazarbayev Appoints Parliamentary Representatives

LD2801111696 Almaty Kazakh Television First Program Network in Kazakh 1500 GMT 27 Jan 96

[FBIS Translated Text] I will start the bulletin with the day's appointments. By decree of the president of the republic [of Kazakhstan, Nursultan Nazarbayev], Kuandyk Turgankulov has been appointed deputy chairman of the Central Electoral Commission of the Republic of Kazakhstan.

Usen Zhidenov, who held this post hitherto, was appointed deputy head of the presidential administration and chairman of the administration's organization and supervision department by an order of the head of state.

An order by the president of Kazakhstan has appointed his representatives in the republic's parliament: Zholymbet Bayishev in the Senate [upper house] and Khabylsayat Abishev in the Majles [lower house].

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Kazakh Supreme Council Discusses Decree on State Service

LD27011540 96 Almaty KAZAKHSTANSKAYA PRAVDA in Russian 29 Jan 96 p 1

[FBIS Translated Excerpt] The historic meeting of the Supreme Council declined into populist speeches and heated debates between deputies, and came to nothing. [passage omitted]

The recent publication of the decree on state service, which has the force of law, was, if not timely, then at least fully justifiable. Society can now demand honest and effective work from officials working within the framework and under the protection of the law.

Of course, the authors of the law acted on the basis of the real possibilities of the state; one of the final clauses of the decree is an example of this: It [the decree] is not valid for people who retired prior to, and for pensioners working in state service at the moment when the decree came into force.

All in all, even the most fundamental critics of the authorities think that this document is long overdue. The principles of state service have been laid down in law at last, the most important of which, from the point of view of society, are: Lawfulness, the uniformity of the state service system, its general availability, the legal and social protection of its staff, and the combination of continuity of state service with staff turnover and mobility. We now also learn from the law who the state service employees are: apart from the higher category, there are seven other categories. The president will also introduce changes to the categories, as well as including other posts among the categories. However, judging by our experience, we can imagine that a serious struggle between departments will begin very soon for the right to be mentioned in the law.

The authors of the law think that the introduction of qualified classes [kvalifikatsionnyy klass] is an undoubted achievement. An employee will have to work irreproachably for two-three years in order to reach a new qualified class. The rights of officials are set in law, which shows that they are "people too." They have the right for respect of their personal dignity (in a post-totalitarian society, where boorishness is normal, this right could be given constitutional rank); the right to access to material regarding their careers; the right to a work investigation [sluzhebnoye rassledovaniye] at their request; to welfare and legal protection, and so on.

Restrictions are set out fairly clearly in the decree; state service employees cannot be parliamentary deputies, they are not allowed to carry out entrepreneurial activities, represent third persons at state agencies, take part in strikes, etc.

Unfortunately, none of the sections mention whether employees have the right to join political parties, but it says that setting up party organizations at state bodies is forbidden.

The second paragraph of Article 14 is the most interesting, as it says that citizens entering state service must submit information about income and property to the tax service. Information about property is the most significant point here, as earnings "on the side" are turned into property.

However, the law does not say how the probity of officials is to be controlled by their superiors and society, if the tax service is only interested in obtaining taxes in full and the information they hold is an official secret.

For the first time, legislation on state service has introduced such concepts as contracts, contests for vacant posts, probationary periods, and appraisal. The welfare system for state service employees has become fairly transparent. All in all, 4.6 trillion tenge is envisaged by the republic's 1996 budget for maintaining state bodies. Paragraph nine of Article 23 sounds hopeful for employees and somewhat incomprehensible for others: "A reduction in budget allocations cannot be grounds for reducing wages and supplementary payments to them [civil servants], nor for reducing financing of other privileges and compensations envisaged in the decree."

The section devoted to leaving state service also raises questions. One may agree that when a prime minister resigns the government follows suit, and when a region or district head resigns so do his deputies. However, why should department and independent section chiefs resign along with a minister, and why should the resignation of parliamentary staff heads lead to the resignation of their deputies and the heads of subordinate structures? Evidently, the reasons for resignations in the higher circles [of government] must be the basis here, otherwise the principle of continuity and turnover in state service will be not be implemented if there are frequent changes in the upper echelons.

When you read the law you feel that its authors tried to maneuver between the Scylla of prejudice against state service in society at large and the Charybdis of personal interest. However, their personal interest lies in making state service professional and prestigious, and in guaranteeing that it implements the constitutional principle of ensuring the coordination of the actions of all branches of power. This matter, as well as

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the execution of laws, has been the weak link in the activities of state administrative bodies so far.

Tajikistan

Primakov Delegation Arrives To Discuss Inter-Tajik Conflict

LD2801140596 Moscow ITAR-TASS in English 1350 GMT 28 Jan 96

[FBIS Transcribed Text] DUSHANBE, January 28 (ITAR-TASS) — The situation in Central Asia and around Tajikistan as well as issues connected with a political settlement of the inter-Tajik conflict were the key topics which came under discussion at the talks on Sunday between the Tajik leadership and a representative Russian delegation led by Foreign Minister Yevgeniy Primakov.

The Russian delegation arrived in Tajikistan on a brief visit. It includes director of the Russian Border Service Andrey Nikolayev, Minister for Cooperation with the Commonwealth of Independent States Valeriy Serov and director of the Russian Foreign Intelligence Service Vyacheslav Trubnikov.

Russia and Tajikistan "have developed even and normal relations", the Russian foreign minister said before the start of the talks.

According to Primakov, "this points to reserves which can be tapped to develop cooperation between the two states and to stabilise the situation in the region".

Turning to the situation in the republic, Tajikistan President Emomali Rakhmanov described it as "difficult" and expressed opinion that the situation in Tajikistan was destabilised as "a result of outside interference".

The joint communique, published on the results of the talks, notes that "the Russian side confirmed its firm support for efforts of the Tajik leadership to stabilise further the social and political situation, to carry out economic changes aimed at pulling the country out of the crisis and at achieving national accord".

In turn, the Tajik side "praises the role of Russia as the guarantor of peace, stability and security in the region and its peacekeeping mission in Tajikistan".

The document notes that the sides agreed to coordinate closer the efforts in strengthening peace and boosting cooperation which is of interest to both states.

Summing up the results of the visit at a brief news conference, the Russian foreign minister again stressed that Russia and Tajikistan have "normal and good relations" as well as "diversified ties based of equality and mutual advantage".

Turning to the political situation in Tajikistan, Primakov noted that the republic "has not achieved as yet a reliable level of stability". In Primakov's opinion, the situation will be stabilised if a dialogue is established with the opposition, mindful, naturally, of the operating Constitution of the republic and the will of people.

"Account should be also taken of the fact that the opposition is also part of this people," Primakov continued. "This should be also taken into account," the Russian minister noted.

Primakov claimed that the Tajik president abides by the same opinion too, controls the situation and firmly follows the course for a peaceful settlement of the problem.

The Russian minister stressed that the talks in Dushanbe also discussed political cooperation and continuation of closer bilateral consultations on a package of political and economic issues.

Asked by reporters what specific aid will be granted to Tajikistan, Primakov stressed that it will be given "an economic aid" as well as "aid to establish its national army" and assistance in other spheres.

The Russian delegation departed for Tashkent today after the end of the Tajik visit.

Primakov Urges Broader Tajik Government-Opposition Dialogue

LD2801153296 Moscow INTERFAX in English 1408 GMT 28 Jan 96

[FBIS Transcribed Text] DUSHANBE, Jan 28 (INTERFAX) — President of Tajikistan Emomali Rakhmanov fully controls the situation in his republic even though the latest developments in individual regions suggest that the situation is unstable, Russia's Foreign Minister Yevgeniy Primakov stated after talks with Rakhmanov.

Primakov believes that the military-political situation in Tajikistan can be settled "if a normal dialogue is broadened with the Tajik opposition which represents part of the Tajik population." "All provisions of the new Tajik constitution must be taken into account during such dialogue," he went on to say.

He said that during the talks Rakhmanov reaffirmed his pledge to "go far" in settling the conflict politically.

"Rakhmanov firmly adheres to peaceful settlement of all problems without sacrificing human lives," said Primakov.

He announced that during the talks which lasted for almost two hours, the sides had discussed ways of broadening mutually advantageous economic cooperation and intensifying political consultations.

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The Tajik president's Press Secretary Zafar Saidov told INTERFAX that "the Russian side has reaffirmed its pledge to help the Tajik leaders stabilize the socio-political situation, implement the economic reform, lead Tajikistan out of the crisis and attain national accord."

"The Tajik side highly appreciated Russia's role as the guarantor of peace, stability and security in the region, as well as its peacekeeping mission in Tajikistan," said Saidov.

He said that the sides had agreed to continue to coordinate their efforts "in strengthening peace and broadening mutually-advantageous cooperation."

On the same day, the Russian delegation which consisted, besides Primakov, of Director of the Foreign Intelligence Service Vyacheslav Trubnikov, Director of the Federal Border Service Andrey Nikolayev and Minister for the CIS Affairs Valeriy Serov, flew out to Tashkent.

Primakov: Rakhmanov in Control of Situation in Tajikistan

LD2801183996 Moscow Russian Television Network in Russian 1700 GMT 28 Jan 96

[From the "Vesti" newscast]

[FBIS Translated Text] A Russian delegation visited Dushanbe on a working visit today. Russian Foreign Minister Yevgeniy Primakov, Valeriy Serov, minister responsible for cooperation with the CIS, Andrey Nikolayev, director of the Federal Border Service, Vyacheslav Trubnikov, head of Russia's Foreign Intelligence Service, and other officials were met at the airport by the Tajik leadership.

Primakov said the trip had been planned during the Moscow meeting of the CIS heads of states. The Commonwealth partners are not indifferent to the complex situation in Tajikistan and this particularly applies to Russia, which takes account of the fact that recently some media have begun to spread rumors that Tajikistan President Emomali Rakhmanov's resignation was on the cards.

[Begin Rakhmanov recording] I have been elected by the people. I have promulgated my program and I promised peace to the people of Tajikistan and I think that I will be with my people till the end. I will not abandon this path, much as many people might now like me to do so. [end recording]

Following his conversation with Rakhmanov, Primakov said the president of Tajikistan was in control of the situation in the republic. A joint communique has been published on the results of the talks. The Russian side confirmed its firm support for the efforts of the leadership of the Republic of Tajikistan aimed at a further stabilization of the situation. Primakov said that economic assistance, help in the creation of national army, and aid in other areas were at stake.

During the second half of the day, the delegation arrived in Tashkent. Issues of Central Asian security and CIS border protection were discussed during talks with President of Uzbekistan Karimov.

Grachev Visits Tajikistan To Discuss Extending Peacekeepers' Stay

LD2701105896 Moscow ITAR-TASS World Service in Russian 1018 GMT 27 Jan 96

[FBIS Translated Text] Dushanbe, 27 Jan (ITAR-TASS) — Russian Defense Minister Pavel Grachev said that his visit to Tajikistan was aimed at discussing with the Tajik leadership questions connected with the further stay on the territory of the republic of the Collective Peacekeeping Forces (KMS) and, primarily, Russian troops. On his arrival in Dushanbe he spoke about his plans in a brief interview for Russian correspondents. The head of the Russian Defense Ministry arrived in Tajikistan by agreement with the republic's President Emomali Rakhmanov and the Defense Ministry leadership.

Grachev stressed that "it is necessary to study the situation on the Tajik-Afghan border with regard to strengthening it with units of the KMS" and also to inspect the 201st Russian motorized rifle division, which is a part of these forces. The Russian defense minister also said that there would be a discussion with the leadership of the KMS about the plan for work in 1996.

After his arrival in Dushanbe, Grachev will meet the Tajik president and the commander of the Collective Peacekeeping Forces and will visit the 201st motorized rifle division.

Grachev: Russia 'Will Never Abandon' Tajikistan

LD2701211596 Moscow ITAR-TASS in English 2033 GMT 27 Jan 96

[FBIS Transcribed Text] Dushanbe, January 27 (ITAR-TASS) — "Russia will not allow anyone to hurt Tajikistan and will never abandon it," Russian Defence Minister Pavel Grachev said after his one-hour talk with Tajik President Emomali Rakhmanov on Saturday.

Grachev said there are intransigent forces in Tajikistan which do not want stabilisation in the republic. He confirmed Russia's willingness to help the young Tajik armed forces with both equipment and resources and by offering to train military specialists in its military

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schools and academies, as well as in the 201st Motorised Infantry Division stationed in Dushanbe.

In his meeting with Rakhmanov, Grachev discussed the timeframe of the CIS peacekeeping troops' operation in Tajikistan and a reinforcement for Russian border guards patrolling the border with Afghanistan, including from among Tajik government troops.

Grachev and Rakhmanov also discussed a possible deployment of Russian aircraft in Tajikistan.

The Tajik president did not rule out the possibility of establishing a Russian military base in the republic. "Some day we will get to set up a Russian military base on the territory of Tajikistan," he said.

Assessing the social and political situation in Tajikistan, Rakhmanov said that there are forces which oppose peace in the republic.

He particularly cited the assassination of Tajik Muslim leader Fatkhullokhan Sharifzoda and recent incidents in the cities of Kurgan-Tyube and Tursunzade.

At the same time, he noted that the hardest times are behind and the situation in normalising. Rebel leaders have agreed to surrender their arms by Sunday and stop illegal actions.

Rakhmanov stressed that he will guarantee all members of illegal armed formations that they will not be prosecuted.

Commenting on rumours about his possible resignation, Rakhmanov said that "I have been elected by people. I have promised the world peace and calm. I have a programme of rescuing the country from its current crisis and I will not quit half way."

President Rakhmanov Denies Resignation Rumors

LD2701183096 Moscow INTERFAX in English 1704 GMT 27 Jan 96

[FBIS Transcribed Text] DUSHANBE, Jan 27 (INTERFAX) — Tajik President Emomali Rakhmanov has categorically denied allegations that he intends to resign.

There are forces in Tajikistan and beyond its limits which are interested in the exit of the Tajik head of state from the political arena and in destabilizing the situation, Rakhmanov told a press conference on the results of his talks with Russian Defense Minister Pavel Grachev in Dushanbe, the capital of Tajikistan, Saturday.

Among actions launched by such forces, Rakhmanov cited the recent murder of the Mufti (Muslim leader) of Tajikistan and the events in the Kurgan-Tyube and Tursun-Zade towns on January 26-27.

"I have been elected by the people, adopted a program, promised peace to the people and I will stay with the people till the end. I will not abandon the country in the middle of the way although many [people] would like me to do so," the Tajik president said.

"Russia will not abandon Tajikistan and will provide efficient assistance to it," Russian Defense Minister Pavel Grachev said at the same press conference.

Grachev said he and the Tajik president had discussed provision of technical, financial and military help to Tajikistan and the possibility of deploying part of Russian air power at Tajik aerodromes.

In his visit to Tajikistan Grachev is accompanied by Russian Military Air Forces Commander-in-Chief, Col. Gen. Petr Deynekin.

The Russian military officials and the Tajik leadership also considered the defense of the Tajik-Afghan border. The implementation of a corresponding plan will begin in the next few days, Grachev said. In particular, Tajik military units will be sent in to areas near the Tajik-Afghan border.

The Russian defense minister plans to go to the Parkhar district, Tajikistan's Khatlon region, Sunday. He will leave Tajikistan for Tashkent, the capital of Uzbekistan, on Sunday afternoon.

Rebel Radio Claims Unrest Prompts Alert in Tajik Capital

LD2801130596 Voice of Free Tajikistan in Tajik 0600 GMT 28 Jan 96

[FBIS Translated Excerpt] It is reported that a group led by Makhmud Khudoyberdiyev has also taken action against the current regime in Kurgan-Tyube and has demanded the resignation of Rakhmanov's government. According to reports from witnesses, the above mentioned group has disarmed entire government posts in Kurgan-Tyube and its suburbs, and Khudoyberdiyev has replaced them with his people in these posts. Makhmud Khudoyberdiyev is the head of the Defense Ministry's 1st Brigade, which had skirmishes with men of the ministry's 11th Brigade in summer and fall last year. [passage omitted]

In connection with the latest events in Tursunzade and Kurgan-Tyube, analysts say that Rakhmanov's regime will probably at last make attempts to solve the conflict in the area by political means.

The security situation in Dushanbe, the capital of the republic, has deteriorated in connection with the actions of Ibod Boymatov and Makhmud Khudoyberdiyev. According to reports received, the power ministries

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[defense, security, and interior] have increased the numbers of their patrol forces in Dushanbe and its suburbs. Additional posts have been established in the *streets and squares of Dushanbe, and movements in and* out are being strictly controlled.

A number of sources connect the measures taken to reinforce order in the capital with the scheduled visit by top Russian officials.

Gunmen in Kurgan-Tyube Demand Government Step Down

LD2701164196 Moscow INTERFAX in English 1405 GMT 27 Jan 96

[FBIS Transcribed Text] DUSHANBE, Jan 27 (INTERFAX) — The situation has grown tense in Kurgan-Tyube, the capital of the Khatlon region in Tajikistan.

A group of gunmen, led by Makhumd Khudoberdyev, commander of the 11th special brigade of Tajikistan's Defense Ministry, attacked a joint police and customs post and disarmed it last night, a well-informed republican government source has reported.

Some gunmen guard the premises of the regional interior department and executive council, others control the road to Dushanbe, the source said, adding that Khudoberdyev and his followers demand that the republican government step down.

General Aleksandr Chubarov, Tajikistan's deputy defense minister, who is now in Kurgan-Tyube, is trying to settle the incident peacefully. The situation elsewhere in the region is reported to be under republican law enforcement bodies control.

Tajik Officials Resume Talks With Mutineers

LD2801094096 Moscow ITAR-TASS in English 0837 GMT 28 Jan 96

[FBIS Transcribed Text] DUSHANBE, January 28 (ITAR-TASS) — Talks on immediate laying down of arms and voluntary surrender resumed in Tajikistan on Sunday with ringleaders of mutineers: Ibodullo Boymatov, former mayor of Tursunzade city, and Makhmud Khudoyberdyev, commander of the first brigade of the Tajikistan Defence Ministry, which is deployed near the city of Kurgan-Tyube.

ITAR-TASS learned from a source at the republican government today that mutineers agreed to lay down arms during the day. The political situation in Tursunzade and Kurgan-Tyube is returning to normal and is fully controlled by law enforcement bodies and local authorities.

Tajikistan President Emomali Rakhmanov demanded in a telephone conversation which was held with the ringleaders of mutineers on Saturday evening, that they *should stop illegal actions and surrender to authorities* in exchange for a guarantee of their personal safety.

The conflict started on January 26 when armed supporters of Boymatov disarmed several check points of the Republican Security Ministry and, after occupying the hospital in Tursunzade, put forth several political demands to the republican government.

A day later, a group commanded by Khudoyberdyev also started an armed conflict with local law enforcement bodies by attacking the regional police department in Kurgan-Tyube.

Four police officers were wounded. There are also casualties among supporters of the mutinous commander. At the same time, press reports circulated earlier that mutineers had taken hostages, turned to be groundless.

Some independent analysts in Tajikistan believe that conflicts in the two cities were engineered by forces interested in destabilising the situation in Tajikistan on the eve of another round of the inter-Tajik dialogue which starts in Ashgabat on January 28.

Uzbekistan

Karimov, Tajik President Discuss 'Tense' Situation

LD2701170596 Tashkent Uzbekistan Television in Russian 1430 GMT 27 Jan 96

[FBIS Translated Text] It is noted that the situation in the towns of Tursunzade and Kurgan-Tyube [in Tajikistan] became tense on 26 and 27 January. The extremely difficult economic situation and hunger that have arisen of late are the main reasons for the social, political, and military tension. Exploiting these circumstances, some leaders of armed groups have demanded changes in the personnel of the present [Tajik] Government. Talks are under way at present between the governing bodies of Tajikistan, under the leadership of President Emomali Rakhmanov, and representatives of the above-mentioned groups.

A telephone conversation took place today between Uzbek President Islam Karimov and Tajik President Emomali Rakhmanov, in connection with the situation in neighboring Tajikistan and with the aim of normalizing the situation. In the course of the conversation, Islam Karimov expressed his steadfast support for the actions taken by Emomali Rakhmanov aimed at the swiftest possible settlement of the conflict.

In line with an agreement reached, Uzbekistan will grant humanitarian aid in the form of foodstuffs, which are to be delivered to Tajikistan on 28 January.

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The heads of state also noted the need to call on all members of the international community interested in establishing long-term peace and tranquillity on the long-suffering land of Tajikistan to render humanitarian aid to the people of this country in this difficult period.

The desire was expressed to the president of the Republic of Tajikistan that he should use all existing peaceful means to solve the situation, and not to allow military confrontation and new bloodshed.

Karimov Meets Russia's Primakov; Backs Tajik Leaders

LD2801162596 Moscow ITAR-TASS World Service in Russian 1541 GMT 28 Jan 96

[By ITAR-TASS Vilor Niyazmatov]

[FBIS Translated Text] Tashkent, 28 Jan (ITAR-TASS) — During their meeting in Tashkent today, the Russian delegation led by Foreign Minister Yevgeniy Primakov and Uzbek President Islam Karimov discussed expanding the cooperation between Uzbekistan and Russia and the stabilization of the situation in the Central Asian region. The sides devoted particular attention to the issues of security in the Central Asian region and protection of the CIS borders. They also discussed the situation which has recently arisen in Afghanistan.

Karimov spoke of the lack of progress at the inter-Tajik talks and about the political situation which has recently taken shape in Tajikistan. Karimov expressed firm support to actions which are being taken by the Tajik leadership to settle the conflict in the country as soon as possible. Karimov said that Uzbekistan has decided to grant humanitarian aid to Tajikistan and that the first consignment of the aid was sent to Dushanbe today.

The Russian delegation is expected to fly to Moscow today.

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Armenia

Armenia Gains Special Status at CE Assembly

NC2601215696 Yerevan Armenia's Radio First Program Network in Armenian 1900 GMT 26 Jan 96

[FBIS Translated Text] Deputy Foreign Minister Vardan Oskanian held a news conference today. Our correspondent Anush Nazarian was there.

[Begin Nazarian recording] Today's session of the Council of Europe [CE] Parliamentary Assembly granted special guest status to the Armenian National Assembly. Armenia is the first of the three Transcaucasian republics to gain this status.

Deputy Foreign Minister Vardan Oskanian noted during the news conference that Armenia will become a full member of the Council of Europe in about two years. The Council of Europe Parliamentary Assembly will hold its session in April 1996. The deputies of the National Assembly can attend that session. [passage indistinct]

In this way, the Council of Europe Parliamentary Assembly granted special status to Armenia. The next step in becoming a member of the Council will be submission of a formal application for full membership to the Committee of Ministers of the Council of Europe. Armenian Foreign Minister Vahan Papazian will leave for Strasbourg in the spring and address the Committee of Ministers. During the visit he is expected to meet Council of Europe Secretary-General Daniel Tarschys and leaders of various commissions and departments. The question of Armenia's full membership in the Council of Europe will be discussed during these meetingss. [end recording]

Nagorno-Karabakh Head Extends Martial Law Until Jan 1997

NC2601192296 Yerevan Radio Yerevan International Service in Armenian 1730 GMT 26 Jan 96

[FBIS Translated Text] The Nagorno-Karabakh Republic [NKR] Parliament recently ratified the NKR president's decree on the extension of martial law in Nagorno-Karabakh.

The decree states: In order to ensure the security and territorial integrity of the State and the security of its citizens, and guided by NKR legislation on martial law, the Republic's president hereby extends the martial law in force in the entire territory of NKR until 1 January 1997.

Azerbaijan

Aliyev: Russia Intensifying Nagorno-Karabakh Settlement Efforts

LD2701190096 Moscow INTERFAX in English 1704 GMT 27 Jan 96

[FBIS Transcribed Text] BAKU, Jan 27 (INTERFAX) — The Russian leadership has intensified its efforts in the settlement of the Armenian-Azerbaijani conflict, Azerbaijani President Geydar Aliyev told the Russian presidential envoy for Nagorno-Karabakh, Vladimir Kazimirov, in Baku Saturday.

According to Aliyev, his contacts with Russian leaders at the CIS summit in Moscow last week showed that Moscow planned to intensify its efforts as conflict mediator.

Aliyev said the summit's address to the conflicting sides was a "feasible result" of Russia's peacekeeping efforts.

"Azerbaijan enthusiastically took the Russian president's statement on the possible status of Nagorno-Karabakh as an autonomous republic within Azerbaijan," Aliyev underlined.

For his part, Kazimirov assured Aliyev that "the intensity of Russian diplomacy" in Nagorno-Karabakh settlement. "Russia has no right to get tired as it is taking part in this process," he added.

At the same time, Kazimirov admitted no "concrete progress" had been achieved in the settlement.

Azeri Officials See Change in Moscow's Stance on Karabakh

NC2601143496 Baku TURAN in English 0724 GMT 26 Jan 96

[FBIS Transcribed Text] Baku/26.01.96/TURAN— "The opinion that the Karabakh problem can be settled by interference of Russia has been formed over the past time", the head of Social-Democratic party, Zardusht Alizade, told Turan's correspondent. However, even if Russia interferes, the conflict will not be settled immediately, he mentioned. Alizade thinks that well-armed Karabakh commanders will not obey the orders of Moscow.

"Moscow always used the Karabakh conflict as means of pressure on Baku, but this tactics did not bring desirable result. However, until Russia receives what it wants, the problem will not be settled", Alizade believes.

If the issue is settled in favour of Azerbaijan through assistance of Russia, the West will turn away from Azerbaijan. He thinks the West uses the Karabakh card

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against Azerbaijan in case if Azerbaijan will come nearer to Russia.

The head of another opposition party of National Independence, Etibar Mamedov, believes: "The interests of Russia is not the position of the current Russian administrations". The interests of Russia need that its position be more objective. "In strategical aspect, Moscow is interested in Azerbaijan, but in order to achieve that it will have to change its attitude towards Armenian-Azerbaijani conflict, or else Russia can be late", Mamedov mentioned.

The assistance of Azeri President, Eldar Namazov, believes that change of position of the Kremlin has become the result of "fortitude of Azerbaijan, which for two years has successfully deterring military-political pressure, and did not carry out the conditions for conflict settlement non-acceptable for it".

The settlement of the conflict will not be immediate, "but we see turn to our side and it is very important tendency", Namazov said.

Aliyev Denies Chechen Rebels, Weapons Present in Azerbaijan

LD2601201196 Moscow INTERFAX in English 1748 GMT 26 Jan 96

[From the "Presidential Bulletin" feature: No 17 (1010)]

[FBIS Transcribed Text] President Geydar Aliyev has rejected Russian media reports alleging that Chechen rebels had a supply line of weapons, ammunition and men in Azerbaijan. He described the charges as being slanderous and false. "We cannot do this because of suffering from separatism and terrorism ourselves," Aliyev told visiting Deputy Chief of the Russian Border Service (FPS) Aleksandr Kozhevnikov in Baku on Thursday [25 January].

He accused the Moscow-based Obshchaya Gazeta newspaper of carrying a defamatory report days before the CIS summit and at the height of the hostage taking crisis in the Dagestani town of Kizlyar and Pervomaiskoye village. Aliyev said "our embassy in Moscow lodged a protest with the paper", and Russia's security, interior and foreign departments as well as FPS. The president spoke of knowing the identity of those who were behind the report. He said they were former Azeri president Ayaz Mutalibov, former prime minister and defense minister Suret Guseynov and Ragim Gaziyev, all of them hiding in Moscow and wanted by Baku on treason charges.

Aliyev expressed surprise over a statement by Chief of the Federal Counterintelligence Service Mikhail Barsukov of Azerbaijan's involvement in infiltrating mercenaries into Chechnya.

IF NOTE: At a news conference in Moscow on January 20 dedicated to the military operation in Pervoimayskoye village, Barsukov said there were a number of mercenaries within the rebel group arriving in Kizlyar including Syrians and Egyptians.

Aliyev challenged members of "appropriate Russian bodies" to visit any part of Azerbaijan to verify the authenticity of Russian reports about alleged Azeri aid to Chechen rebels. He said "our ambassador to Moscow Ramiz Rizayev has extended such an invitation to Russian Interior Minister General Anatoliy Kulikov, but there has been no response from Moscow yet." He stressed the invitation remained valid and that "we are ready to host a Russian delegation at any time."

At the same time the Azeri leader does not rule out the possibility of "some criminals" infiltrating across the Russian border. "We cannot give any guarantees on this score, given that we have ourselves been in the state of undeclared war with Armenia for seven years now," Aliyev said implying the conflict over the disputed enclave of Nagorno-Karabakh. He said Baku was doing its best to stop cross border violations.

He also spoke of several coup attempts being suppressed within a short period of time inside the country.

Aliyev pledged Baku's determination to cooperate with FPS hoping that Kozhevnikov's visit could help "take our cooperation on a higher level still."

The two sides stressed the need for cooperation between their border protection departments in line with the bilateral agreement signed on December 20, 1995.

Aliyev, Japanese Envoy Discuss Oil Projects

NC2701074796 Baku TURAN in English 1716 GMT 26 Jan 96

[FBIS Transcribed Text] Baku/26.01.96/TURAN—Today the president Geydar Aliyev received the Ambassador for Asian-Pacific Ocean Economic Cooperation of the Foreign Ministry of Japan Hiromoto Seki.

During the meeting the guest said that the main goal of their visit was discussion of perspectives of expansion and development of relations with Azerbaijan. He also said Azerbaijan is on the first place in the ten-day programme of Japan's delegation for six countries of the CIS.

He noted that delegation was in Azerbaijan at the instruction of the Prime Minister Yashimoto. Mr. Seki

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noted the economic relations between Azerbaijan and Japan would be a good base for the development of political relations between the countries.

Geydar Aliyev said there are good conditions for development of bilateral relations. Azerbaijani-Japanese relations have a long history. In the mid of 70-s years with promotion of "Toshiba" company a plant of conditioners [as received] was built in Baku. President said that recently he had sent a letter to Prime Minister of Japan with invitation to visit Azerbaijan. Geydar Aliyev also said Azerbaijan was interested in Japan's investments to the economy of Azerbaijan, in particular, to oil industry.

Hiromoto Seki said Japan occupied a second place in the world in consumption of oil. There is only one state oil company in the country. "It will be glad to take part in the oil projects in Azerbaijan," Seki said.

Representative of Japan noted that he supports peaceful settlement of the Armenian-Azeri conflict.

Baku Backs Permanent Japanese UN Security Council Seat

LD2601210196 Moscow INTERFAX in English 1731 GMT 26 Jan 96

[From the "Diplomatic Panorama" feature]

[FBIS Transcribed Text] BAKU, Jan 26 (INTERFAX) — Azerbaijan will back Japan's bid for permanent membership in the U.N. security Council, Azerbaijani Foreign Minister Gasan Gasanov told a delegation of the Japanese Foreign Ministry in Baku Friday.

The head of the Japanese delegation, Hiramoto Shioki, said Tokyo plans to expand relations with Azerbaijan which plays the crucial part in the region.

Mutually profitable economic ties must comprise the basis of bilateral relations, Gasanov said. He regretted that Japanese businessmen showed little interest in cooperation with Azerbaijan.

Shioki said his delegation had discussed prospects for Japanese financing of construction projects in Azerbaijan.

Shioki supported the immediate settlement of the Armenian-Azerbaijani conflict on the basis of respect of Azerbaijan's territorial integrity.

For his part, Gasanov wished Azerbaijan opened its embassy in the Japanese capital as soon as possible.

Georgia

Shevardnadze Congratulates 'Arafat on Election Victory

LD2601144396 Tbilisi Radio Tbilisi Network in Georgian 1300 GMT 26 Jan 96

[FBIS Translated Text] Georgian President Eduard Shevardnadze has sent a telegram to Yasir 'Arafat, president of the Palestinian National Authority, congratulating him on his victory in the presidential election. In particular, the telegram says:

Dear Mr. President, I have the honor of cordially congratulating you on your convincing victory in the presidential election on behalf of the people of Georgia. I am happy that an outstanding figure like you, who is well known all over the world and with whom I have had long-standing personal relations, has found power to surmount obstacles that seemed unsurmountable for years and has become a coauthor of a triumphal breakthrough in the Middle East. We have often talked about the future of the region and today, what had been unbelievable before has become the reality. We do hope that the peace process in the Middle East will become irreversible during your presidency. Yours sincerely, Eduard Shevardnadze.

Abkhaz 'President' Congratulates Kabardinian Leader

LD2701120796 Tbilisi IBERIA in Georgian 1125 GMT 27 Jan 96

[FBIS Translated Text] Sukhumi, 27 Jan — Abkhaz "President" Vladislav Ardzinba has sent a telegram to President of Kabardino-Balkaria Valeriy Kokov, congratulating him on his election as deputy chairman of the Russian Federation Council. The telegram says: "On behalf of the Abkhaz people, I express hope that the leader of the fraternal Kabardinian people will not abandon Abkhazia during these hard times and will be considering our people's urge for sovereignty and peace in his activities."

Abkhazia Agrees To Form 'Joint Single State'

LD2901122296 Moscow INTERFAX in English 1138 GMT 29 Jan 96

[FBIS Transcribed Text] MOSCOW, Jan 29 (INTERFAX) — Abkhazia on the whole accepts Russia's offer to set up "a joint state within Georgia's borders as of December 21, 1991," Abkhazia's Foreign Minister Leonid Lakerbaya has declared. He noted, however, that a number of points in the draft protocol on a settlement between Georgia and Abkhazia, in which the offer is extended, needs to be clarified.

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Abkhazia agrees to form "a joint single state" to be governed by an appropriate treaty, but it wants its constitution and national emblem to be separate from those of Georgia.

"Some agreements are possible already at the next round of Georgian-Abkhazian talks, provided political settlement issues are not linked to Georgian refugees return again," Lakerbaya said. He emphasized that the decision to isolate Abkhazia economically, taken at the CIS summit earlier this month, has been wasted on the Abkhazian leadership, "which has never abandoned negotiations."

Nor has Abkhazia been perturbed by a warning recently made by Russian deputy foreign minister Boris Pastukhov that if negotiations stall, Russia "will stop its mediation efforts and will call its peacekeepers out of the region."

"If the peacemakers become a police force, as Georgia demands, Abkhazia will urge their withdrawal itself," Lakerbaya warned, adding that Abkhazia's leader Vladislav Ardzinba is expected in Moscow within a day or two for consultations on a settlement with Georgia.

Abkhaz Separatist Leader Alarmed Over Imposition of Blockade

LD2601134996 Tbilisi IBERIA in Georgian 1255 GMT 26 Jan 96

[FBIS Translated Text] Tbilisi, 26 Jan (IBERIA) — In his address through the mass media on 24/25 January [as received] Abkhaz separatist leader Vladislav Ardzinba expressed alarm over the decision reached at the CIS summit on 19 January and in particular over the blockade imposed on Abkhazia.

Ardzinba called on the Abkhaz people to remain calm and, if need be, to be ready to defend the motherland.

Abkhazia Warned About Waning Power Supplies

LD2901111296 Tbilisi Radio Tbilisi Network in Georgian 0800 GMT 29 Jan 96

[FBIS Translated Text] Electricity generation at Inguri Hydroelectric Power Station has fallen to about 2.2 million kWh a day. Of this amount, 1.6 million is used by Abkhazia, while the remainder — about 0.5 million kWh of electricity — goes to the rest of Georgia.

At the request of the Abkhaz side, of the two main lines supplying electricity from Inguri Hydroelectric Power Station to Georgia, Imereti-500 and Kolkhida-220, only the latter is operating at present. The closure of the Imereti-500 reduced the reliability of power lines.

The Sakenergo [Georgian Energy] Department's regional leadership warned the Abkhaz side that if it continues to use electricity as it is using it now, the Georgian side will deem further operation of Inguri Hydroelectric Power Station inexpedient and will shut it down.

According to the latest information, Tbilisi District Power Station has only two days' supply of fuel oil.

Meanwhile, water reserves at the main hydroelectric power stations — Inguri, Zhinvali, [word indistinct], and Tqibuli — are at minimum level.

Armenian Envoy Rules out Territorial Claims Against Georgia

LD2701113996 Tbilisi IPRINDA in Russian 1005 GMT 27 Jan 96

[FBIS Translated Excerpt] Tbilisi, 27 Jan — Good relations with Georgia are of profound importance for Armenia's national security, said Levon Khachatryan, the Armenian ambassador extraordinary and plenipotentiary to Georgia at a news conference.

Speaking of the ethnic Armenian population in Samtskhe-Javakheti [southern Georgia], the ambassador said that they had only social problems that had nothing to do with political demands. "Any territorial claims by Armenia against Georgia are ruled out," Khachatryan said. [passage omitted]

South Ossetians Condemn Leader's Georgian Stance

LD2601170896 Tbilisi Radio Tbilisi Network in Georgian 1300 GMT 26 Jan 96

[FBIS Translated Text] ALIONI news agency has learned that a part of the Tskhinvali population demands that the chairman of the so-called South Ossetian Supreme Soviet, Ludvig Chibirov, should resign because, in their view, he intends to hold talks with the Georgian authorities and actually consents to the restoration of the 1922-1991 status of the South Ossetian Autonomous Okrug within Georgia. The part of the population demands that the status of the Republic of South Ossetia, as an independent subject, should be maintained.

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Estonia

Vahi: EU Opponents Pushing Estonia Towards East

WS2601153496 Tallinn BNS in English 1209 GMT 26 Jan 96

[FBIS Transcribed Text] Tallinn, Jan 26, BNS — Opponents of the European Union in Estonia, wittingly or not, are working to have the country join the eastern neighbor, Prime Minister Tiit Vahi said upon arrival from Brussels.

"We have to choose between the EU and the East," the prime minister said. "I believe that 90 percent of Estonians would never support the latter option," he said.

Referring to the anti-EU activists who recently became active in the country, Vahi said Estonia was a democratic state where everybody had the right to speak out. But he added that the country was too small to survive any kind of isolation and that for this reason joining the EU was vital.

European Affairs Minister Endel Lippmaa, a member of Vahi's party for the Brussels trip, said EU was based on three principles, which he said were security, economic cooperation and social justice.

"It is very difficult to say anything against these goals," he said.

Opposition to Estonia's EU aspirations has come from the Future's Estonia Party, whose leaders have called on all politicians sharing that opposition to join and launch a popular movement.

The party fell behind the five percent vote threshold in general elections last March.

Tallinn To Set Up Structures To Prepare for EU Integration

LD2601152796 Tallinn Radio Tallinn Network in Estonian 1300 GMT 26 Jan 96

[FBIS Translated Excerpt] Priit Ennet will now report on what was discussed at the government sitting.

[Ennet] [passage omitted] The government intends to set up special government structures who would coordinate preparations for joining the European Union [EU]. Details still need to be discussed but a general outline of these structures can be provided now. A European integration commission will be set up, made up of ministers as follows: Prime minister, foreign, European affairs, justice, finance, economics, and agriculture ministers, as well as the state chancellor. It has been decided to set up an inter-ministerial council of senior officials for the day-to-day Euro-work whose members will be representatives of the offices already set up at ministries. The council will be led by Ambassador Riivo Sinijarv [former ambassador to Britain] [passage omitted]

The government appointed a new chancellor at the Ministry of Social Affairs. He is Jaan Ruutman, 36, a physician who up until now was chief physician at the Tallinn central hospital specializing in diseases of the ear, nose, and throat. [passage omitted]

Tartu Treaty 'Sticking Point' at Border Talks With Russia

LD2701094496 Tallinn Radio Tallinn Network in Estonian 1800 GMT 26 Jan 96

[FBIS Translated Excerpt] This round of Estonian-Russian border talks did not achieve any particular success: the Russian side continues not to recognize the validity of the Tartu Peace [Treaty]. Erik Samel continues.

[Samel] It is starting from this round that both sides are represented by fully-empowered delegations and this should help to make the talks more effective. According to Raul Malk, the Estonian delegation leader and Foreign Ministry's deputy chancellor, one could say that such expectations were justified regarding some technical issues, but no success was achieved on several issues, including the political and legal aspect of the border issue. [passage omitted]

According to Raul Malk, one can be satisfied with the fact that guidelines for drawing up the description of the border on dry land were agreed to fairly quickly. [passage omitted]

Both Raul Malk and Vasiliy Svirin, the ambassador-at-large and Russian delegation leader, stated that the only sticking point is that of the Tartu Peace. According to Vasiliy Svirin, a clause was introduced into the preamble of the agreement at the Russian side's intitiative, which notes the major historic importance of the Tartu Peace to Estonian statehood. Russia continues not to want to recognize its validity.

[Begin Svirin recording; in Russian] It cannot be valid since it ceased to be valid in 1940, the moment the Republic of Estonia ceased to be an independent subject of international law. The fact remains and the treaty was no longer valid. This is how things stand from the point of view of international law as we see it. [end recording] [passage omitted]

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Latvia

Krastins: Latvia Must Join NATO To Ensure Peace

LD2801194596 Riga Radio Riga Network in Latvian 1800 GMT 28 Jan 96

[FBIS Translated Text] Thirty-three soldiers and officers of the National Armed Forces left for Denmark today. After a three-month long military training, they will take part in the peacekeeping mission in former Yugoslavia as part of the Danish peacekeeping battalion, together with a platoon of Lithuanian and Estonian soldiers.

Defense Minister Andrejs Krastins addressed the Latvian soldiers at an official ceremony before the departure.

[Begin recording] [Krastins] Hello soldiers! For the first time in Latvian history, Latvian soldiers are going overseas to keep peace and, at the same time, to defend their homeland. We cannot expect anyone to help us defend our homeland, if we do not help others to keep peace and democracy in the whole world. For the first time Latvian soldiers will be carrying out their military mission together with NATO forces. You know that our country's development also includes joining NATO. But it is not so much in order to become a member of a military alliance, rather it is, together with all of Europe, to ensure peace forever in our country as well. I am convinced that I will both visit you where you will be carrying out your duty in Bosnia and welcome all of you here back home in the autumn when you return from a successfully carried out task. [end recording]

It should be added that the voluntary soldiers of the Latvian platoon will receive for the participation in peace-enforcement operations 750 to 900 lats each month. This is provided by a contract between troops of the Latvian peace-enforcement platoon and the Defense Ministry. The document stipulates soldiers' remuneration and social guarantees in the event of injury or death.

Krastins: Latvia Needs Five Years To Restructure Military

WS2901102396 Tallinn BNS in English 1256 GMT 27 Jan 96

[FBIS Transcribed Text] Riga, Jan 27, BNS — Five years are needed to restructure the Latvian national armed forces into a professional army, Defense Minister Andrejs Krastins said.

"Ideally, the Latvian military forces are small but very professional, well equipped and trained," according to Krastins.

When forming a professional army, the recruitment will be organized on voluntary basis, Krastins said.

"We must attain that people respond to call-up willingly and that non-admission to army service is perceived as a bad luck," the minister said.

To achieve this aim, the prestige of the army should be improved despite of the shortage of funding.

Commenting on armament, Krastins said that the Latvian army currently uses primarily light weapons of the former Soviet army, which are "cheaper and good enough."

Krastins said he regretted that his predecessors did not take the advantage of the situation to buy this armament "for the price of scrape iron or very cheaply."

The Defense Ministry and army leadership are considering opportunities to provide the armed forces with armament corresponding to NATO standards.

In Krastins' words, this armament will not be bought for budget funds. Part of these weapons could be received as donation but the entire project would still require a long-term credit, he said.

Krastins said that he would be satisfied by his work as a minister if he could name the date when Latvia could become a full-fledged member of NATO.

Russian Official Condemns Latvian Military Commander's Remarks

LD2601180296 Riga Radio Riga Network in Latvian 1000 GMT 26 Jan 96

[FBIS Translated Text] The statement by Juris Dalbins, commander of the Latvian Defense Forces, that Russia is a potentially hostile force to the Baltic countries, is irresponsible, believes Sergey Udaltsev, a senior official of the Russian Foreign Ministry. Dalbins' attitude was published in the January issue of the journal NATO REVIEW. The commander of the Latvian defense forces also believes that the main threat lies in Latvia's return to the political, economic, and military sphere of its larger neighbor. Udaltsev emphasized that the Russian Foreign Ministry would like to find out the NATO view of such statements by a high ranking representative of Latvia, considering Latvia's efforts to become a member state of the North Atlantic alliance.

Lithuania

Slezevicius Ignores Brazauskas' Demand To Resign

LD2901123996 Moscow INTERFAX in English 1100 GMT 29 Jan 96

[FBIS Transcribed Text] VILNIUS, Jan 29 (INTERFAX) — Lithuanian Prime Minister Adolfas Slezevicius has decided to ignore President Algirdas Brazauskas'

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demand that he resign by January 29. He announced his intentions Sunday evening on a private TV channel show.

Slezevicius said he could not decide about resigning alone because in addition to being prime minister he is also the chairman of the party "responsible for the political, economic and social situation and the country's foreign policy".

The council of the ruling Democratic Labor Party spoke against the resignation of its leader on January 27.

Slezevicius admitted a crucial turn during the past few weeks in relations with the president who had steadily supported him.

Last week Brazauskas demanded his resignation following the December scandal related to the banking crisis. Slezevicius had withdrawn his account from the Lithuanian Joint-Stock Innovation Bank just before its operations were suspended. Later it was discovered that he had been paid double interest for his savings compared to ordinary depositors.

Last week the Prosecutor General opened a criminal case on the bank interest issue against Slezevicius.

Under Lithuanian law there are two ways of dismissing the prime minister: the president can submit an appeal for his dismissal to parliament or the parliament can bring a vote of no confidence in the head of the cabinet on its own account.

Meanwhile, the leadership of the Democratic Labor Party plans to meet the president Monday and persuade him to cancel his decision on the removal of Slezevicius.

LDDP Backs Continued Slezevicius' Premiership

LD2701181296 Vilnius Radio Vilnius Network in Lithuanian 1700 GMT 27 Jan 96

[FBIS Translated Excerpt] The Council of the Lithuanian Democratic Labor Party [LDDP] backs Adolfas Slezevicius' leadership of the cabinet of ministers of the Republic of Lithuania. Zenonas Miksys reports:

[Miksys] There were six items on the agenda of today's session of the LDDP council. However, the main item which caused concern to all party members was whether Adolfas Slezevicius, chairman of the party and prime minister, should hand in a letter of resignation to the president or not. [passage omitted]

Justinas Karosas, head of the LDDP Seimas faction, held a brief news conference after the five-hour debate. He stressed:

[Begin Karosas recording] [passage omitted] I would not like to attempt to interpret the position taken by our council, instead I will read a statement adopted by the party's council here today.

Having heard the report made by Prime Minister Adolfas Slezevicius, chairman of the LDDP, as well as the statements made by participants at the session, The Council of the Lithuanian Democratic Labor Party would like to state the following: A considerable number of difficulties has accumulated in the party and in the country. [passage indistinct] As a result of this, political tension has increased which has been exacerbated and used self-seekingly by the Seimas opposition.

The LDDP council believes that the most important thing is to preserve the stable functioning of the Lithuanian Government at this time. Therefore, having discussed various aspects of those difficulties, the council believes that the hasty dismissal of Adolfas Slezevicius from the post of prime minister is not the solution. [passage omitted]

The LDDP council invites President Algirdas Brazauskas, jointly with the new presidium of the LDDP council, to embark on an intensive and benevolent search for such solutions which will be most beneficial to the people of Lithuania and to the state at this complex and determining moment. [end recording]

[Miksys] The statement was adopted by a ballot — 89 in favor, three against, and 11 abstentions. [passage omitted]

Mr Karosas said that the newly elected presidium of the LDDP Council would seek an audience with the president tomorrow.

Lithuanian Conservatives Condemn President's Procrastination

LD2701125896 Vilnius Radio Vilnius Network in Lithuanian 1200 GMT 27 Jan 96

[FBIS Translated Text] The president's procrastination is heightening political tension, the Conservatives maintain. The sooner the reorganization of the government to replace certain officials is carried out, the calmer the public will become, knowing that the constitutional order is stable and secure, the statement issued today by the Homeland Union — Lithuanian Conservatives, BALTIC NEWS SERVICE reported.

The Lithuanian Conservatives are greatly concerned that high-ranking officials from the Ministry of Internal Affairs are exerting pressure on the president to renounce the constitutional decision to dismiss the minister of interior, who had compromised himself.

The statement says that earlier there were reports about orders of combat readiness being issues at the

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Lithuanian border troops, subordinated to the system of the Lithuanian Ministry of Interior Affairs. However, no investigation into this has been carried out.

The president's procrastination in carrying out what he said he had decided heightens the political tension, the statement of the Lithuanian Conservatives reads.

Lithuania's Gylys, Ukraine's Moroz Discuss Foreign Policy

LD2601154196 Kiev UNIAN in Ukrainian 1000 GMT 26 Jan 96

[FBIS Translated Text] Vilnius — "Over the last one and a half years the influence of the 'Ukrainian factor' in Europe has increased considerably, and Lithuania is constantly focusing attention on this," said Lithuanian Foreign Minister Povilas Gylys at a meeting with Ukrainian Supreme Council Chairman Oleksandr Moroz today. Oleksandr Moroz said he is in favor of former USSR countries conducting "common offensive foreign policies" in international organizations. He believes that closer contacts between these states' foreign ministries are essential. The Ukrainian parliament chairman stressed the need to use the "north-south axis" and combining the interests of Nordic Council and Black Sea Economic Cooperation countries. According to him, all power structures in these states should take this prospect into account, and he spoke for the expediency of signing a corresponding collective treaty.

Povilas Gylys supported Oleksandr Moroz's stand that sanctions should only be used against countries in exceptional cases (in particular, against aggressor countries), and that they should not harm the interests of states which have nothing to do with military conflicts. The minister said he is in favor of granting priority to countries which suffered losses from the UN Security Council sanctions against Yugoslavia, in rebuilding the countries of former Yugoslavia. According to Oleksandr Moroz, Ukraine's contribution to rebuilding Yugoslavia "could be appreciable."

Commenting on the state of Ukrainian-Russian relations at Povilas Gylys's request, Oleksandr Moroz stressed that differences between Ukraine and Russia are "not of an antagonistic nature, for they are not sufficiently consistent." Oleksandr Moroz said that "sometimes internal party struggles in states also affect their foreign policy, which shows a certain lack of professionalism."

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